

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
OTAY WATER DISTRICT
October 2, 2013**

1. The meeting was called to order by President Lopez at 3:35 p.m.

2. ROLL CALL

Directors Present: Croucher, Gonzalez, Lopez, Robak, and Thompson

Directors Absent: None

Staff Present: General Manager Mark Watton, Attorney Richard Romero, Asst. GM German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Chief of Administration Rom Sarno, and District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

A motion was made by Director Croucher, seconded by Director Thompson to approve the agenda. General Manager Watton indicated with regard to item 7e, ADOPT RESOLUTION NO. 4218 REVISING BOARD OF DIRECTORS' POLICY NO. 12, EMPLOYMENT OR TERMINATION OF EMPLOYMENT OF DISTRICT PERSONNEL POLICY, AND POLICY NO. 24, RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY, OF THE DISTRICT'S CODE OF ORDINANCES, that the Employee Association is requesting that the board pull this item off the agenda until the November board meeting. He asked that the board consider doing so to maintain good relations with the District's labor group and provide them the time they need to review this item.

Director Croucher amended his motion to delete item 7e from the agenda. Director Thompson accepted the amendment to the motion and it carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve the agenda with the deletion of item 7e.

5. APPROVE THE MINUTES OF THE REGULAR MEETING OF SEPTEMBER 4, 2013

A motion was made by Director Gonzalez, seconded by Director Thompson and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve the minutes of the regular meeting of September 4, 2013.

6. 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.

7. DEVELOPING A LONG-TERM SOLUTION FOR CALIFORNIA'S WATER NEEDS

Mr. Jason Foster, Director of Public Outreach and Conservation for the San Diego County Water Authority (CWA), provided an overview of what CWA is doing with regard to some of the potential solutions to the Bay-Delta issues and the impacts of some of the solutions. He stated that the Bay-Delta is a prime source of the region's water supply. He stated that the region receives about 20% of its water supply from the Bay-Delta which is significant. He explained that there are two water systems that export water from the Bay-Delta, a Federal System (Central Valley Project) which predominantly serves farms and communities in the Central Valley and the State Water Project which serves communities as far south as San Diego.

The issue with the Bay Delta is the reduced reliability of water supplies in recent years from the Bay Delta. The ecological conditions in the Bay Delta have deteriorated and, in recent years, the court system and wildlife agencies have put into place restrictions which are designed to protect a number of fish species in the Bay Delta. The constraints are generally to restrict pumping from the Central Valley and State Water Projects by shutting down the pumps or reducing the amount of water that can flow through the pumps at certain times of the year. This restriction has reduced the amount of deliveries from the Bay Delta by 100,000+ AF per year.

CWA has long held a position of support for a solution in the Bay Delta. In 2009, it supported legislation that established water supply reliability and ecosystem restoration for the Bay Delta. CWA has also adopted Bay Delta Policy Principles to guide the review of solutions for the Bay Delta. Mr. Foster indicated that he brought copies of CWA's principles which have been placed on the back table of the boardroom. At this time, CWA has not yet endorsed a specific project or solution.

He reviewed CWA's Bay Delta Policy Principles which involves:

- Water Supply Reliability: Recognize, encourage and integrate local supplies and factor those into demands for Delta water
- Ecosystem Restoration: Restore the Bay Delta ecosystem (NCCP and HCP)
- Finance and Funding:
 - Ensure any solution selected is cost-effective when compared to other water supply development options
 - Require firm funding commitments by all parties through take-or-pay contracts or the legal equivalent to assure that ratepayers in the County of San Diego are not stuck with a disproportionate size of the bill compared to the benefits it receives from the Bay Delta.
- Facilities: That they are "right-sized" for actual needs and are not over built.
- Governance: Supports continued state ownership and operation of the State Water Project as a public resource.

Mr. Foster indicated that there are four (4) options that CWA is reviewing in detail:

- State's Preferred Alternative: 9,000 cfs, twin-tunnel project advocated by Natural Resources Agency and water contractors (e.g. MWD)
- No Action Alternative: Status quo conveyance facilities and capacity
- Delta Vision Foundation's BDCP-Plus Strategy: 5,000 to 6,000 cfs project, additional storage and integration with local supplies.
- Natural Resources Defense Council's Portfolio Alternative: Single tunnel of at least 3,000 cfs, additional south of Delta storage, levee improvements, 1 million acre-feet of additional local supplies and conservation

CWA has concerns in financing the BDCP as it is unknown what the return will be on the investment to fix the Bay Delta. The State's preferred alternative is estimated to cost approximately \$25 billion. He stated that fixing the Bay Delta will not necessarily increase water supplies from the Bay Delta, but it is meant to make it more reliable. The model is to build the project, operate it, then determine if the ecological benefits are being obtained. If the ecological benefits are being obtained, then we may be able to get greater water deliveries, but there is no guarantee of this before the project is built.

Another concern related to financing the BDCP is the impact to MWD. MWD depends on water sales revenues to pay 80% of its costs. Its member agencies, including CWA, are looking to decrease their dependence on MWD. MWD is already seeing a 30% decrease in sales since 2007 and there are agencies that have plans to buy no water from MWD by 2020. There is a question of the

certainty that all MWD member agencies will pay their fair share if MWD decides to pay for a large portion of the cost to fix the Bay Delta.

Currently, the financing of the BDCP is unknown and the details are still being worked out. The BDCP is counting on State and Federal funding for a portion of the cost and the remaining majority of the cost is to be picked up by water contractors. However, there are no firm answers on how the cost will be shared.

The cost to fix the Bay Delta will be split 50/50 between the State and Federal governments and their contractors. MWD is the largest State contractor and makes up about half the deliveries from the State Water Project contractors. As such, MWD could pay for a quarter of the cost to fix the Bay Delta. Further, CWA represents approximately a quarter of MWD's revenue stream. If the cost to fix the Bay Delta is \$25 billion, then the County of San Diego could pay approximately \$1.5 billion toward the Bay Delta fix. MWD remains the largest share of CWA's water cost.

Mr. Foster indicated that MWD has approved rate increases of 34% for untreated water and 22% for treated water to be implemented in January 2014. If the Bay Delta fix were implemented, it is estimated that MWD's rate increase would have been 65% for untreated water and 45% for treated water.

CWA has significantly reduced its water purchase from MWD since 1990 and it is expected to further decrease. By 2020, CWA's water purchase would decrease 66% from the 1990's.

He noted that the BDCP also does not address the local water supply projects that are planned or considered by the MWD member agencies throughout southern California. The planned projects will provide up to 1.2 million AF of additional local water supplies if developed.

He indicated that the key questions that are not yet answered by the BDCP include:

- After accounting for local supply development, what is the real demand for water from the Delta?
- What is the right-sized project to meet the demand?
- How much water can CWA expect from the Bay Delta if \$25 billion was spent to fix it? The State indicates the purpose of the BDCP is to get more reliable water deliveries from the Bay Delta and not necessarily to increase the supply.
- Who is going to commit to pay for the project?
- Without contractual commitments from its member agencies, should MWD contractually commit to pay \$6+ billion for a Bay Delta solution? How will CWA protect its ratepayers from shouldering a disproportionate cost burden in the future if there are no contractual commitments?

He stated that the State has pushed back the date of the release of the Bay Delta documents to the middle of November and with the Federal shutdowns, it may be even a little later. He indicated that there will be a 120-day review process once the documents are released and CWA plans to comment on the EIR and take a position on one of more of the BDCP options by early 2014.

He asked that the member agencies respect CWA's process for reviewing the BDCP and that they review the results of CWA's analysis prior to taking a formal position on any proposal.

Mr. Foster introduced Mr. Mike Barden, former Chair of CWA's Board of Directors, who has been retained by CWA to head the Bay Delta outreach. Mr. Barden has great experience and background on Bay Delta policy issues.

Director Robak inquired how the State can "right-size" the Bay Delta fix when it is not certain where water sales are headed. Mr. Foster indicated that is the biggest question that they are trying to answer. Also, the size of the pipe/facility will not be the only consideration, but how much water will be allowed to be delivered from the Bay Delta. Director Robak inquired with regard to the slide depicting the local water supply projects that are planned or considered by the MWD member agencies throughout southern California, what each of the projects were. Mr. Foster indicated that he did not have the list with him, but he would forward the list following the meeting.

Director Robak also inquired with regard to the City of San Diego's indirect potable reuse project, how active CWA was with working with the City on indirect potable reuse. Mr. Foster indicated that CWA is supporting the City as they explore indirect potable reuse, but it is not taking an active role. CWA has also provided some funding assistance for the feasibility studies.

Director Croucher welcomed Mr. Bardin and indicated that he was a leader within CWA for many years and is very highly respected. He stated that he is not only knowledgeable, but has excellent leadership abilities. He asked Mr. Bardin to comment on the Metro Commission and the permits that are needed for their Point Loma Water Purification Treatment Plant, the Carlsbad Desalination Project, MWD rates and Colorado River Rights.

Mr. Bardin indicated that Director Robak raised an interesting question; is there a project that is right-sized? He indicated that there is not. There will be a list of projects over a long period of time that will be made bigger or smaller, be adjusted in some way, delayed or not built at all. He stated that if we go back in history, the solutions for water in California have always been about the next "big thing," which includes the:

- Owens Valley Aqueduct
- State Water Project/Federal Central Valley Project
- MWD's Aqueduct to the Colorado River

- State Water Project
- Peripheral Canal, etc.

We are now seeing a shift away from the next big thing to a series of smaller solutions, such as, the Carlsbad Desalination Plant, City of San Diego Potable Reuse Project, etc. He stated that he felt that we are moving in the right direction in asking questions and getting the information needed to “right size” the solution to the Bay Delta issues.

Director Thompson indicated that we will be having a public discussion of this issue over the next year and, as the District’s board represents consumers, we need to keep a rational approach to the solution for the Bay Delta. He inquired if CWA will be organizing the public education to assure that a discussion with the public occurs. Mr. Foster indicated that educating the public on this issue is a big challenge, especially since it is so complex. He indicated the first stage of the process is that CWA needs to make a decision on the technical analysis:

- Are the four options feasible to build?
- What’s the possibility of getting the permits from the Wildlife and Regulatory Agencies?
- How will it be paid for?
- How will it be operated?

The answers to these questions will provide the basis for the direction CWA’s board deems best for the County. Once this decision is made, then the Board will indicate what the message should be and who the message should be delivered to.

Mr. Barden noted that Otay WD is one (1) of twenty-four (24) agencies who are members of CWA. CWA is one (1) of twenty-six (26) agencies who are members of MWD. MWD is one of twenty something agencies who are members of the State Contractors Board. He stated that this does not include the Federal Contractors Board and the various agencies around the Delta who have independent operations. He indicated there is simply a great many persons involved in this issue and nothing will be decided until there is consensus among these agencies. There will also be a substantial amount of money spent on mitigation and environmental enhancements.

Director Gonzalez inquired if the region has looked at building additional desalination plants in lieu of funding a fix for the Bay Delta issues. Mr. Barden indicated the cost for desalination in San Diego is expensive. He stated that while we do receive value from building desalination plants in San Diego because it becomes a local source. The issue, however, is that we don’t know how much water supplies the Bay Delta will provide our region and so we don’t know how much we should spend on the BDCP or local projects.

President Lopez thanked Mssrs. Barden and Foster for attending the District's meeting and presenting on this important issue. He observed that the County of San Diego's portion of the cost to fix the Bay Delta, if its overall cost is \$25 billion, is approximately \$1.5 billion. President Lopez inquired if it has been discussed what the cost would be for each of CWA's member agencies if the \$1.5 billion was shared between the agencies. Mr. Barden indicated that it has not and this is part of the problem. He stated there is no exact value of what the County of San Diego's portion of the cost actually is.

CONSENT CALENDAR

8. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:

Director Robak pulled item 7b, REJECT ALL BIDS FOR THE CONSTRUCTION OF THE 624-2 RESERVOIR INTERIOR/EXTERIOR COATINGS AND 458-2 RESERVOIR INTERIOR COATING AND UPGRADES PROJECT, for discussion.

Upon a motion by Director Croucher, seconded by Director Robak and carried with the following vote:

Ayes:	Directors Croucher, Gonzalez, Lopez, Robak and Thompson
Noes:	None
Abstain:	None
Absent:	None

to approve the following consent calendar items:

- a) APPROVE A PROFESSIONAL SERVICES CONTRACT WITH CAROLLO ENGINEERS, INC. FOR DESIGN AND CONSTRUCTION SUPPORT OF THE 870-2 PUMP STATION PROJECT IN AN AMOUNT NOT-TO-EXCEED \$624,910
- c) APPROVE AN AMENDMENT TO A LEASE AGREEMENT WITH SPRINT PCS ASSETS, LLC, A DELAWARE LIMITED LIABILITY COMPANY, FOR MODIFICATIONS TO AN EXISTING COMMUNICATIONS FACILITY AT THE 980 1&2 RESERVOIR SITES LOCATED AT 360 HUNTE PARKWAY IN CHULA VISTA
- d) APPROVE THE ISSUANCE OF A PURCHASE ORDER TO RDO EQUIPMENT COMPANY, INC. IN THE AMOUNT OF \$94,159.12 FOR THE PURCHASE OF ONE (1) JOHN DEERE BACKHOE AND DECLARE THE DISTRICT'S OLDEST JOHN DEERE BACKHOE SURPLUS
- e) ADOPT RESOLUTION NO. 4218 REVISING BOARD OF DIRECTORS' POLICY NO. 12, EMPLOYMENT OR TERMINATION OF EMPLOYMENT OF DISTRICT PERSONNEL POLICY, AND POLICY NO. 24,

RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY, OF THE DISTRICT'S CODE OF ORDINANCES

- f) APPROVE AN ADJUSTMENT TO THE WHEELING RATE FOR THE DELIVERY OF TREATY WATERS TO MEXICO TO \$64.14 FOR CALENDAR YEAR 2014

President Lopez presented item 7b for discussion:

- b) REJECT ALL BIDS FOR THE CONSTRUCTION OF THE 624-2 RESERVOIR INTERIOR/EXTERIOR COATINGS AND 458-2 RESERVOIR INTERIOR COATING AND UPGRADES PROJECT

Director Robak indicated that he understands that the board has the right to reject the bids, but it is not obligated to reject the bids. He indicated he wished a legal opinion on this issue with regard to the board's options. Attorney Richard Romero indicated that under State law the board has the right to reject all bids for any reason.

Director Robak further inquired the reason for rejecting the bids on this project. Assistant Civil Engineer II Kevin Cameron indicated that the District received five (5) bids for this project, but felt that the District should have received eight (8) bids. Staff also felt the average of the bids was a little disproportional and the District may have received a lower bid if it had received the three (3) other bids on time. It was indicated that the lowest bidder also needed a qualification that they would not have until December 2013. The bidder thought that this would be fine. However, the District's specifications indicate that the contractor must have the qualification when the contract is awarded. The contract would have been awarded at today's meeting.

With the lowest bidder misunderstanding their responsibilities and three "unknown" bids (the three [3] bids that were received late), staff felt it was in everyone's best interest to rebid the contract to assure the District receives the right price for the services. It was discussed that three (3) bids were received late due to the delivery service's plane arriving late in San Diego. These bids were never opened by staff and were returned to the vendors. It was noted there were no issues with the bidding process. Staff, however, is considering scheduling the opening of bids to later in the afternoon to avoid future issues with late delivered bids due to delivery services issues.

Upon a motion by Director Croucher, seconded by Director Robak and carried with the following vote:

Ayes:	Directors Croucher, Gonzalez, Lopez, Robak and Thompson
Noes:	None
Abstain:	None
Absent:	None

to approve staffs' recommendation.

ACTION ITEMS

9. BOARD

a) DISCUSSION OF 2013 BOARD MEETING CALENDAR

Director Croucher indicated that he would be attending training in Sacramento and would be unable to attend the November 6, 2013 board meeting. Director Thompson indicated that he would be out-of-town and would be unable to attend the December 4, 2013 board meeting if a meeting is held. General Manager Watton indicated that staff is prepared if the December board meeting is canceled.

There were no changes to the board meeting calendar.

10. INFORMATIONAL ITEMS

a) FISCAL YEAR 2013 YEAR-END STRATEGIC PLAN AND PERFORMANCE MEASURES REPORT

Chief of Information Technology Geoff Stevens indicated that the District is in its tenth year of the Strategic Plan process. The Strategic Plan is a three (3) year plan and updates are reported twice a year to the Board. Today's presentation is the year-end report. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Stevens' report.

Director Croucher stepped out at 4:32 p.m. and returned at 4:35 p.m.

In response to an inquiry from Director Robak, Mr. Stevens indicated that the Balance Scorecard is based on a book written by Robert Kaplan and Dave Norton from Harvard's Business School. It is the first integrated approach to strategic planning. It is a good approach for the water industry as the industry does not experience a great deal of change like other industries. The studies indicate that if an organization utilizes their approach and continues to use it as a best practice, it will get the results.

Director Robak noted that the District's goal for per capita consumption is 172 gallons per day (GPD) and the District's current per capita consumption is 135 GPD. He inquired if all the District's goals are ambitious enough. Chief of Information Technology indicated that the per capita goal came from the District's allocation from CWA based on the 20/20 goal. He indicated that the goals are set at beginning of each fiscal year to be true stretch goals. As an example, over quite a number of years, staff has been implementing software, etc., to attain the *Answer Rate* goal of answering no less than 97% of calls on average. It has taken time and a lot effort to finally reach this goal. Another example is preventative maintenance. The percentage of funds for labor spent on

preventative maintenance has been a tough goal to reach. The goal for maintenance of the potable water system is that no less than 66% of all labor cost be spent on maintenance and for recycled water the goal is no less than 70%. Identifying the right level has also been a challenge. Part of the annual Strategic Plan development process is to review the current goals and determine if they are still good goals and to add new goals. General Manager Watton indicated that some of the goals are from the AWWA QualServe Program. The District modifies some of the QualServe goals as they do not really fit the District or they are modified to make them more of a stretch goal. Some of the goals serve the purpose of highlighting or putting focus on an area. Also some is developed directly from the District's budget, like overtime percentage; what was budgeted for overtime in the fiscal year and what the actual cost of overtime for the fiscal year. This is a visibility measure.

AWWA Qualserve updates their goals about every two (2) years. The District is just completing its input into the 2013 survey which is now due to AWWA. The information from this update should be available in about six (6) months.

Director Croucher indicated, with regard to the conservation goal, that the County of San Diego has met the requirements of the 20/20 goal. The County of Los Angeles, however, has not yet met their 20/20 goal. As the County of Los Angeles sells more water, they are not as impacted by water cost increases as the County of San Diego ratepayers would be as their allocation stays unchanged. The more water the County of San Diego conserves beyond its 20/20 goals, its allocation from MWD will be adjusted downward which will increase the cost of water if the County of San Diego should go over its reduced allocation. As long as the County of San Diego is meeting its 20/20 goal, the goal should not be stretched as it negatively impacts its customers.

Director Thompson thanked staff for the information and their work on the Strategic Plan program. He stated that he somewhat questions how much the District really stretches its goals based on the outcome of the performance. He indicated if only two (2) goals were behind out of 40 and one (1) was out of staffs' control, by definition the goals are not stretch goals. He stated he would like to participate early in the Strategic Plan process, to develop measures that would not be too costly and would provide the District more information. Chief of Information Technology indicated that President Lopez has requested that staff provide a workshop on the District's Strategic Plan reviewing what has been done over the last ten (10) years and discuss the District's goals, objectives and measures for the next three-year plan. Director Thompson indicated that he felt staff has done a great job in the review of the Strategic Plan.

Director Lopez indicated that the District has been utilizing the Strategic Plan process for ten (10) years now. He stated that he wished the board to have an opportunity to provide input into the plan and the annual workshop with the board was designed for that purpose. He commended Information Technology Chief Stevens for his work on the Strategic Plan.

REPORTS

11. GENERAL MANAGER'S REPORT

General Manager Watton indicated that he has provided a couple handouts on the dias for the Board. The first is an editorial written by Mr. Dan Walters regarding the QSA Agreement. He indicated that the court has ruled and approved the long-pending plan by CWA to buy several hundred thousand acre-feet of water each year from the Imperial Irrigation District. The editorial further comments that this helps to break MWD's control of the state of California's water supply and that Imperial Irrigation District is the state's OPEC of water, controlling three-quarters of the state's Colorado River water. The ruling will likely be appealed. The judge, however, wrote a very intricate 100 page opinion on his ruling and CWA feels that it will prevail on appeal.

He indicated the other handout is a letter the District forwarded to the Jamul Action Committee (JAC) a number of months ago. He stated that Director Robak had sent him an email from an individual from the community inquiring about the Jamul Indian Village Casino. He indicated that there has been several inquiries in the past and there is a "myth" circulating about Otay WD's involvement with the casino. He stated, should the Directors hear from community members on this issue, he has provided a copy of the letter to refresh the Directors on the issues regarding the casino project. The District does not support or oppose the casino, but it does have a legal obligation to provide water services to a customer. In this case the customer is the Jamul Indian Village.

General Manager Watton presented additional information from his report that included the Water Conservation Garden, Employee Recognition Luncheon, wireless infrastructure upgrades, Otay Ranch Village 13 Preserve and Resort Community Village 13, and water purchases. He also shared that he had missed the CWA board meeting as he traveled to Tijuana to meet with the departing Director of CESPT, Tijuana's water purveyor, and they had discussed recycled water, desalination and his future plans.

SAN DIEGO COUNTY WATER AUTHORITY UPDATE

Director Croucher indicated that CWA continues to work on the MWD, Bay Delta and Carlsbad Desalination issues. The Directors of CWA were also provided a tour of CWA's operations center in Escondido and the desalination pipeline that is currently in construction which will connect the Carlsbad desalination plant to CWA's system. They also toured the Carlsbad Desalination plant in depth. He indicated that it was very impressive with regard to their progress and CWA will continue to monitor the project. CWA will also begin addressing the cost of the water from the Carlsbad Desalination plant and how it will be divided among its member agencies.

12. DIRECTORS' REPORTS/REQUESTS

Director Robak indicated that he attended CWA's Special Board meeting on September 12, 2013 where they discussed the Bay Delta Conservation Plan. He stated Mr. Rod Smith provided an analysis of the private sector approach. He stated that he appreciated his perspective and asked if the District could provide him copies of the presentations from the special meeting. Staff indicated that they would do so.

Director Robak also shared that he attended the District's employee picnic and recognition luncheon and congratulated all the employees who were recognized at the recognition luncheon. He stated that he also attended the YMCA Branding Event and he felt it was time well spent in support of the community. He stated he was happy to hear that the Water Conservation Garden (WCG) was headed in the right direction and he felt it was to the benefit of the Garden to look to fundraising to become more self-sufficient.

Director Thompson indicated that he also attended the Employee Recognition Luncheon and it seemed there was a lot of camaraderie among the employees which is a testament to the leadership of the District. He thanked Communications Officer Armando Buelna and the employees who participated in Harbor Fest event. He stated that he, President Lopez and General Manager Watton met with Mr. John Bolthouse, Executive Director of the WCG, to discuss the Garden and their partnership with the District. He also shared that he would be attending the CalDesal Conference tomorrow and Friday, October 3rd to 4th, which is being held in San Diego.

Director Gonzalez indicated that he attended the Water and Energy Conference in September where they discussed desalination, direct potable reuse technology, water border issues, the Rosarito Desalination Plant, the South Bay Water Reclamation Plant, and how oil companies are recycling the water from fracking. There were also companies presenting new filtration technologies. He stated that he brought information back with him from these companies and will share it with staff.

General Manager Watton mentioned that he had met with Commissioner Drusina of the International Boundary and Water Commission (IBWC) and Mr. Drusina had indicated that he had met Director Gonzalez at the Water and Energy Conference. He stated that it was an excellent for him to meet one of the District's Directors as it assists with the District's efforts in acquiring water from the Rosarito Desalination Plant.

13. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of August 2013 (a list of meetings he attended is attached).

a. CLOSED SESSION

The board recessed to closed session at 5:31 p.m. to discuss the following matter:

- a) PUBLIC EMPLOYEE PERFORMANC EVALUATION [GOVERNMENT CODE §54957.6

TITLE: GENERAL MANAGER

The board reconvened at 6:25 p.m. and the District's attorney, Richard Romero, indicated that the board took no reportable actions in closed session.

14. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 6:25 p.m.

President

ATTEST:

District Secretary

**President's Report
October 2, 2013 Board Meeting**

A) Meetings attended during the Month of September 2013:

- 1) **September 4: Attended the District's Regular Board Meeting**
- 1) **September 7: Attended the District's Employee Picnic**
- 2) **September 11: Attended the Water Conservation Garden Board Meeting** (please see attached copy of agenda)
- 3) **September 17: Attended the District's Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the October board meeting.
- 4) **September 23: Attended the District's Engineering, Operations and Water Resources Committee on Director Croucher's behalf.** Reviewed, discussed, and made recommendation on items that will be presented at the October board meeting
- 5) **September 25:**
 - a. **Met with Mr. John Bolthouse, Executive Director of the Water Conservation Garden** to discuss the District's partnership with the Garden. Attendees: Director Thompson and General Manager Watton.
 - b. **Attended the District's Employee Recognition Luncheon.**
- 6) **September 26:**
 - a. **Met with Mr. Hernando Durán, Executive Director of CESPT,** to discuss the Rosarito Desalination Plant Project. Attendees: General Manager Watton, Chief of Engineering Rod Posada, and District Consultant Hector Mares.
 - b. **Attended the South County Economic Development Council's Elected Official Reception.** Attendees: Directors Robak and Thompson, General Manager Watton and Communications Officer Buelna.
- 7) **September 27: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the October Board Meeting.