

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
OTAY WATER DISTRICT
September 3, 2014**

1. The meeting was called to order by President Lopez at 3:38 p.m.

2. ROLL CALL

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

Staff Present: General Manager Mark Watton, General Counsel Shinoff, Asst. GM German Alvarez, Chief of Engineering Rod Posada, Chief Financial Officer Joe Beachem, Chief of Information Technology Geoff Stevens, Chief of Operations Pedro Porras, Asst. Chief of Information Technology and Administration Adolfo Segura, District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

A motion was made by Director Croucher, and seconded by Director Gonzalez to approve the agenda. General Manager Watton indicated that due to a schedule change, Ms. Rosanna Carvacho of Brownstein Hyatt Farber and Schreck has a plane to catch and it is requested that her item, Legislative Update (Agenda Item 9), be moved to the top of the agenda.

Director Croucher accepted the amendment to his motion, Director Gonzalez seconded the motion and the motion carried with the following vote:

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

to approve the agenda as amended.

5. APPROVE THE MINUTES OF THE REGULAR BOARD MEETING OF AUGUST 6, 2014

A motion was made by Director Thompson, seconded by Director Lopez 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 August 6, 2014.

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. LEGISLATIVE UPDATE

Ms. Rosanna Carvacho, Brownstein Hyatt Farber and Schreck, indicated that she had forwarded a memo which she believes was included in the board materials for the August 2014 meeting. The memo outlined the remainder of the Legislative Calendar for the month of August. She stated that the Legislature, based on the Constitution, must adjourn by August 31. The Assembly actually adjourned on Saturday, August 30, at 2:30 a.m. and the Senate adjourned at 3:20 a.m. The Legislature is done for the year and the Governor has until September 30, 2014 to sign or veto all the bills that are now on his desk. There are approximately 700 bills that are waiting his action.

She stated that one of the items that was being discussed by the Legislature in early August was the Water Bond. The Governor introduced his bond in early July prior to the Legislature's July summer recess. In early August, following the recess, the Governor had communicated additional details regarding his proposed water bond. Because there was already an \$11.14 billion water bond slated for the November 2014 ballot, the Governor's water bond required a 2/3 vote by the legislature in both houses to replace the \$11.14 billion bond with the Governor's smaller bond. The main sticking point during the negotiations was the total amount of the bond. At the end of the discussions, the Legislature passed a \$7.5 billion bond that will appear on the November 2014 ballot. She indicated that the Governor was able to repurpose \$425 million of previous bond funds which will indebt the State to only \$7.12 billion in new bonds. Another sticking point was how much would be slated for storage. In the end, the Legislature agreed on allocating \$2.7 billion for storage projects. Ms. Carvacho noted some of the funding categories identified in the bond:

- \$5.5 billion for Desalination Projects
- \$125 million for Water Recycling Projects (Requires a 50% local match)
- \$52.5 million to the San Diego County and Southern Orange County

The monies will be distributed throughout the State on a competitive basis. She noted that the fate of the bond is up to the State of California voters during the November 2014 elections and it is hopeful that the voters will pass this smaller bond.

Ms. Carvacho also provided an update on legislation concerning groundwater. She stated the Legislature passed three bills on August 29, 2014 which are on the Governor's desk for consideration and there is a commitment to do more. She stated that a \$100 million was slated for the development of groundwater plans as there is a requirement that you must have a groundwater plan in order to receive monies under the IRWM section of the bond. There is also a requirement that a Groundwater Management Agency be formed (JPA) by 2017 and that groundwater plans be submitted to the DWR by 2020. She noted that the State Water Board has the ability to step in if a local entity does not step forward to either form the management structure or submit a plan on time.

She also shared that there are some changes in the Senate in Sacramento as three Senators have been suspended which has led to the Senate Leadership and other members of the Legislature to propose Political Reform Act bills for passage. There were a total of 61 bills introduced this year to amend the Political Reform Act and thirty-five (35) have passed the Legislature and are on the Governor's desk for consideration. The Governor has already vetoed one of the bills and is considering the remaining thirty-four. One of the amendments to the Political Reform Act is to reduce the gift limit from \$440 to \$200 per year from a single source. AB1728 introduced by Assemblymember Garcia targets elected water boards. It subjects elected water boards to existing provisions of state law limiting contributions to officials from entities with business before the agency involving a license, permit, or other entitlement for use. The Special District Association and ACWA are opposed, but given the climate in Sacramento, it passed with a super majority and is on the Governor's desk for consideration.

She stated that the Drought is still a big issue at the State level and the State Water Board adopted emergency drought regulations which was highlighted in the memo she forwarded with the August board materials. Those regulations went into effect on August 1, 2014 and it is hoped that it will encourage additional conservation throughout the State.

Lastly she shared with regard to the Bay Delta Conservation Plan (BDCP) that the Legislature will be delaying any action on the BDCP. The proposed Water Bond was BDCP neutral and it is hoped that it will not hurt the bond's chances with the voters.

In response to an inquiry from Director Thompson, Ms. Carvacho indicated that the \$5 million dollar limit noted in the proposed Water Bond is related to desalination projects and was also noted in Proposition 50. This, however, is connected to funding (\$725 million) for water recycling projects. There is also the Integrated Regional Water Management (IRWM) grant funding where the \$5 million limitation does not apply. There is obviously the competitive grant issue where the monies is shared with agencies throughout the State.

In response to an inquiry from Director Robak, General Manager Watton indicated that the Department of Water Resources will be putting together the

application for submission of grants. The District will be aggressive in applying for grants that it qualifies for under both recycled and desalination, but there is not a certainty that the District will be awarded any grants. He noted that the District did apply for a grants under Proposition 50 and was successful in obtaining a \$5 million grant.

RECESS TO CLOSED SESSION

8. The board recessed to closed session at 4:00 p.m. to discuss the following matters:

a) CONFERENCE WITH LABOR NEGOTIATORS [GOVERNMENT CODE §54957.6]

AGENCY DESIGNATED REPRESENTATIVES: PRESIDENT LOPEZ
AND DIRECTOR
THOMPSON

EMPLOYEE ORGANIZATION: OTAY WATER DISTRICT EMPLOYEES'
ASSOCIATION

AND

ALL REPRESENTED AND UNREPRESENTED PERSONNEL
INCLUDING MANAGEMENT AND CONFIDENTIAL EMPLOYEES

b) PUBLIC EMPLOYEE PERFORMANCE EVALUATION [GOVERNMENT
CODE §54957.6

TITLE: GENERAL MANAGER

RETURN TO OPEN SESSION

The board reconvened at 5:05 p.m. and General Counsel Shinoff reported that the board met in closed session and took no reportable actions.

9. ADOPT RESOLUTION NO. 4242 TO APPROVE THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE OTAY WATER DISTRICT AND THE OTAY WATER DISTRICT EMPLOYEES' ASSOCIATION EFFECTIVE JULY 1, 2014 THROUGH JUNE 30, 2017, FOR THE FIELD EMPLOYEES AND ADMINISTRATIVE EMPLOYEES BARGAINING UNITS AND APPROVE EXTENDING THE SAME COST-OF-LIVING ADJUSTMENTS AND RELATED BENEFITS FOR THE MANAGEMENT AND CONFIDENTIAL EMPLOYEES; AND ADOPT ORDINANCE NO. 547 TO AMEND THE EMPLOYER-EMPLOYEE LABOR RELATIONS PROVISIONS OF THE CODE OF ORDINANCES

Human Resources Manager Kelli Williamson indicated that all the information discussed by the Ad Hoc Employee Negotiations Committee and by the board in

closed sessions is available in the staff report provided to the board. She inquired if the board had any specific questions.

Director Thompson indicated that the Ad Hoc Employee Negotiations Committee worked hard with the Sr. Management Team and the Otay Water District Employee's Association. He stated that he felt that the parties have negotiated an agreement that is fair and protects the District's ratepayers to keep costs from going up faster than inflation. He thanked everyone for the work they have done in negotiating a fair agreement.

President Lopez indicated that he has been involved in the last three (3) negotiations with the District's Employee Association and he has been very pleased in all respects, especially with staff not only looking out for the interest of employees, but for the District as well.

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

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

to approve staffs' recommendations.

10. APPROVE A NEW AGREEMENT WITH THE GENERAL MANAGER WITH A TERM ENDING SEPTEMBER 3, 2017 AND PROVIDING A 2.5% COST-OF-LIVING ADJUSTMENT

Director Thompson thanked General Manager Watton for the great job he is doing and that he felt that it is appropriate that the General Manager's increase be at the same rate as the employees.

President Lopez indicated that he is proud to have worked with General Manager Watton and that his high motivation and experience has brought growth to not only the General Manager, but also to members of the board. He stated he is pleased with how the board and General Manager have been able to work together and that this is a reflection of General Manager Watton and staff. He stated that it is appropriate to recognize his efforts with a cost-of-living adjustment.

A motion was made by Director Croucher, 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 a new agreement with the General Manager with a term ending September 3, 2017 and providing a 2.5% cost-of-living adjustment.

General Manager Watton thanked the board and acknowledged the field staff, administrative staff, management and executive team. He stated that the employees are the reason for the success that he enjoys. He also stated that the stability and guidance that the board brings to the District highly contributes to his success and that of the staff as well.

CONSENT CALENDAR

11. 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:

Upon a motion by Director Croucher, seconded by Director Lopez 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) AWARD TWO (2) PROFESSIONAL AS-NEEDED ENGINEERING DESIGN SERVICES CONTRACTS TO ARCADIS AND PSOMAS, EACH IN AN AMOUNT NOT-TO-EXCEED \$300,000 FOR FISCAL YEARS 2015 AND 2016. THE TOTAL AMOUNT TO BE AWARDED OVER THE DURATION OF THE CONTRACT WILL NOT EXCEED \$300,000 WITHOUT ADDITIONAL BOARD AUTHORIZATION
- b) REQUEST AUTHORIZATION TO EXECUTE AND RECORD GRANT DEEDS NECESSARY TO PERFECT TITLE ON THE OTAY WATER DISTRICT (APN 597-041-50-00) AND THE GORE (APN 597-041-51-00) PROPERTIES
- c) ADOPT RESOLUTION NO. 4240, FIXING TERMS AND CONDITIONS FOR THE ANNEXATION OF CERTAIN REAL PROPERTIES OWNED BY THE OTAY LAND CO., LLC, APNs: 644-070-12, 14, 16, 17 AND 19-00 INTO THE OTAY WATER DISTRICT IMPROVEMENT DISTRICT NOS. 22 AND 27
- d) APPROVE THE ADOPTION OF A MITIGATED NEGATIVE DECLARATION FOR THE 870-1 RESERVOIR ACCESS ROAD PAVING PROJECT

Director Thompson indicated that he wished to make a general comment with regard to consent calendar item "C." He acknowledged Mr. Jeff O'Conner of the Otay Land Co. who was in attendance of the District's board meeting. He stated that his organization is doing good work in east Chula Vista where they are developing large communities. He indicated that the District appreciates the work that they are doing.

ACTION ITEMS

12. ADMINISTRATION, FINANCE AND INFORMATION TECHNOLOGY

- a) ADOPT ORDINANCE NO. 545 AMENDING SECTION 9, ANNEXATIONS AND DETACHMENTS 9.04 B AND C.4; SECTION 28 CONNECTION FEES AND CHARGES FOR POTABLE OR RECYCLED WATER SERVICE 28.01 A AND B; SECTION 53, CONDITIONS FOR SEWER SERVICE 53.03 A.1; AND APPENDIX A OF THE DISTRICT'S CODE OF ORDINANCES WHICH WILL INCORPORATE THE FOLLOWING CHANGES:
 - i. UPDATE THE CURRENT WATER CAPACITY FEE (INCLUDING THE TRIAD FEE) AND NEW WATER SUPPLY FEE TO REFLECT THE VALUE OF THE DISTRICT'S CURRENT AND FUTURE ASSETS
 - ii. UPDATE THE WATER ANNEXATION FEE TO REFLECT THE UPDATED "BUY-IN" FOR NEW CUSTOMERS ANNEXING INTO THE OTAY WATER DISTRICT BOUNDARIES
 - iii. MODIFY THE SEWER CAPACITY FEE TO A NEW "COMBINED" METHODOLOGY OF CHARGING CAPACITY FEES WHICH IS CONSISTENT WITH THE METHODOLOGY USED FOR WATER, WHICH REFLECTS THE VALUE OF THE DISTRICT'S CURRENT AND FUTURE ASSETS

Finance Manager Rita Bell indicated that staff is requesting that the board adopt Ordinance No. 545 modifying the District's capacity and annexation fees. She stated that every four (4) to six (6) years staff performs a study to ensure fairness of the developer fees and that "growth pays for growth" (new customers pay for their equitable share of new facilities and their proportionate share of the existing distribution system). The District's last fee study was performed in 2010 where changes were made to the water, capacity and annexation fee methodology and a new water supply fee was implemented. She noted that the District had invited the local developers to the District's board meeting today to make them aware of the changes that the District is proposing. She introduced Mr. Tom Gould of HDR, the District's consultant who performed the District's rate study who would present the results of the rate study. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Ms. Bell's and Mr. Gould's report.

In response to an inquiry from Director Robak, Mr. Gould indicated that there is no change in the methodology utilized to calculate fees and this is the reason the

fees are generally the same as the fees the District has in place today. He further noted that the District also adjusts its fees on a quarterly basis to take into account the time value of money and is another reason why there is not a huge difference between the new calculated fees and what the District currently has in place.

Director Robak inquired what the average increase has been for these fees over the last 10 years. Chief of Engineering Posada indicated that the average increase has been about 1.7%.

In response to another inquiry from Director Robak, Chief Financial Officer Beachem indicated that the District had invited the Developer Community to a meeting at the District to discuss the proposed changes to the fees and the methodology utilized by the District to calculate the fees. Approximately four (4) developers attended. After the study was completed, the District sent out notices to the Developer Community indicating the recommended changes to the fees and there were no comments received from the Development Community.

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

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

to approve staffs' recommendation.

13. BOARD

a) DISCUSSION OF THE 2014 BOARD MEETING CALENDAR

There were no changes to the 2014 Board Meeting Calendar.

INFORMATIONAL ITEM

14. THE FOLLOWING ITEM IS PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEM:

a) FISCAL YEAR 2014 FOURTH QUARTER CAPITAL IMPROVEMENT PROGRAM REPORT

Engineering Manager Dan Martin provided an update on the District's fourth quarter of FY 2014 Capital Improvement Program. He indicated that the FY 2014 budget is broken into 63 projects totaling \$13.9 million. The overall expenditures for the fourth quarter are \$8.5 million which is approximately 61% of

the FY 2014 budget. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Martin's report.

In response to a question from Director Robak, Engineering Manager Martin indicated that the average life expectancy for the interior/exterior coating of a reservoir is approximately 20 years. He indicated that the District inspects its reservoirs on a regular basis through diving inspections. Mr. Martin indicated that the cost for the maintenance/new coatings is rolled into the CIP for maintenance/repairs of facilities.

Engineering Manager Martin indicated in response to an inquiry from Director Thompson that there is a one (1) year warrantee on the coating of the tanks and a two (2) year warrantee on the cover/liners. There is also a materials warrantee. Staff noted that though there is a 20 year life expectancy on the coatings, the District performs ongoing maintenance (dive inspections, cleaning, maintaining the anodes, rust, etc.) on the reservoirs. The District has a maintenance program and each reservoir is evaluated for maintenance needs on a periodic basis.

b) **INFORMATIONAL REPORT ON THE DISTRICT'S INTENT TO REDESIGN THE CURRENT DISTRICT WEBSITE**

Information Technology Manager Michael Kerr presented the District's newly redesigned website. He indicated that the new website was developed in tandem with the current District website and features a new responsive design that will adapt the page layout and content to the size of the user's display or mobile device, which will improve the accessibility of content on the site for mobile devices, tablets, and traditional desktop computers. It is expected that the new site will be launched in the early part of September 2014. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Kerr's report.

Director Robak asked if the new website would be user friendly as far as updating the information. Information Technology Manager Kerr indicated that it is user friendly and that training was held a week ago on developing and updating content on the site. Also, security levels have been limited for staff, which prevents staff from making changes to just any part of the website. It was indicated in response to another question from Director Robak that the entire website is mobile friendly.

Information Technology Manager Kerr presented the actual website to the board and displayed some of the features of the website.

Director Gonzalez inquired if the District will have an 'app' for customers to easily access their account and pay their bills. Mr. Kerr indicated that the District currently did not have an app, but the website does have a bill pay button/icon which can be accessed through a mobile device. Assistant Chief of Administrative and Information Technology Services indicated that the roll out of

the new website is Phase 1 of an ongoing plan. Staff will be more active with updating the site as well as reviewing cost, security, governance, and performance. In Phase II of the plan, staff will be evaluating a possible app.

REPORTS

15. GENERAL MANAGER'S REPORT

SAN DIEGO COUNTY WATER AUTHORITY UPDATE

Director Croucher stated that CWA has won its lawsuit against MWD. MWD is filing an appeal. The judge, however, ruled that their water rates are illegal as they violate cost of service requirements of the California State Statutes. MWD is sending representatives to San Diego to try and gain support for a negotiated resolution between CWA and MWD. He indicated as a reminder to our region's Chambers, Kiwanis Clubs, the San Diego Taxpayer's Association, etc., that it is not in the best interest of our region to negotiate with MWD. Director Croucher reiterated that MWD lost the lawsuit and it was ruled that their rates were illegal. CWA will be sharing outreach information with all the member agencies regarding the lawsuit so the agencies are aware of the true facts of the lawsuit.

Director Croucher indicated with regard to the State Water Bond that if it is passed by the voters, the San Diego region would receive approximately 11% of the funds. He stated that this is positive and is a change from the past where the San Diego region only received \$1.00 for every \$5.00 that it is taxed for the bond. The region will be taxed 11.5% to fund the bond and approximately 11% will be brought back to the County.

He stated that the Legislation, Conservation and Outreach Committee held a meeting at the Water Conservation Garden and the committee members were also provided a tour of the Garden.

He also shared that he will be going to Sacramento where he will be participating on the interview panel selecting the legislative advocate consultant who will represent CWA in Sacramento.

He indicated that CWA staff will be presenting at their next board meeting the rebates that are available to commercial and residential customers from both MWD, CWA, SDG&E and other programs. They will also provide a list that can be shared with each of the member agencies.

General Manager Watton indicated that CWA's representative to MWD, Mr. Vince Mudd has just retired from CWA's board. CWA's board will be considering appointing either Mss. Elsa Saxod or Yen Tu as it's new representative. Mss. Saxod and Tu are representatives from the City of San Diego and the MWD seat vacated by Mr. Mudd is unofficially a City of San Diego seat.

He also shared that CWA will be assisting the City of San Diego with their potable water reuse project.

He further indicated that in the handouts he provided, there is information on CWA's lawsuit with MWD. He stated that it outlines the court's decision and MWD's position on the decision. He stated there is also information provided on the Colorado River's Hydrology which indicates the conditions of the lakes and storage, Proposition 1, the Water Conservation Garden, information on the predicted El Nino for this winter, and information on the 49 page letter from the EPA to the State with the opinion that the Bay Delta Plan could violate Federal Law.

General Manager Watton then presented information from his report which included an update on small, minority and disadvantaged business outreach; the employee recognition luncheon; recruitments/personnel changes; the water waste reporting form on the District's website; the District's Standard & Poor's rating review; water waste tracking; and the Rosarito Desalination Project.

16. DIRECTORS' REPORTS/REQUESTS

Director Robak indicated that he attended an East County Chamber of Commerce meeting and Mr. Allen Carlyle, the General Manager of Padre Dam MWD, presented their Advanced Water Purification Project. He stated that the big component of their project is Direct Potable Reuse and commented, as many know, that it will take some time to get acceptance of the project.

He indicated that the County of San Diego has been receiving negative press on a little water park that they located in front of their administrative building. He stated that he understands that the District's new public relations firm, (W)right On Communications, had handled the public outreach concerning the public's view of having the water park in general. He stated he was a little concerned about this and was still waiting on a response from (W)right On Communications.

He noted that the Water Conservation Garden's attendance has tripled. He stated that this is not surprising as residents are looking for ways to save on their water bill and the Garden is the place to go to find ways to save water in your landscape.

Director Croucher indicated that the California Special Districts Association (CSDA) will hold their annual conference at the end of the month and inquired if any of the Directors had signed up to attend. He noted that the District receives incentive points towards credits to its premium for liability insurance for directors' attendance. He indicated that if the District has not yet maximized its incentive points, directors might consider attending the conference to maximize the money the District can save towards its liability insurance premium.

Director Thompson indicated that he received an email from a customer who reported possible water theft that they witnessed from a hydrant within the

District's service area Staff had investigated the situation and it was found that there was no theft occurring and the water taken from the hydrant was authorized as the truck had a meter attached to it. The meter measures the water taken from the hydrant which is then billed by the District. A response was quickly provided to the customer and the customer was pleased with the quick reply from the District. Director Thompson thanked staff, District Secretary Susan Cruz and Customer Service Manager Andrea Carey, for their quick response to the customer's inquiry.

17. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of August 2014 (a list of meetings he attended is attached). He again congratulated staff on the successful completion of the negotiations on the Memorandum of Understanding with the Otay Water District Employees Association.

18. ADJOURNMENT

With no further business to come before the board, President Lopez adjourned the meeting at 6:20 p.m.

President

ATTEST:

District Secretary

**President's Report
September 3, 2014 Board Meeting**

A) Meetings attended during the Month of August 2014:

- 1) **August 1: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the August Board Meeting.
- 2) **August 6: Attended the District's Regular Board Meeting.**
- 3) **August 7: Attended a meeting of the Metro Commission** (see attached agenda)
- 4) **August 15: .Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the August FA&C Committee meeting.
- 5) **August 18: Attended the District's Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the September board meeting.
- 6) **August 21:**
 - a. **Met with Jerry Gumpel, International Counsel of Sheppard, Mullin, Richter & Hampton LLP,** to discuss the Rosarito Desalination Project. Attendees: Mark Watton and Dan Shinoff
 - b. **CSDA Quarterly Dinner.** Received a presentation on, "Strategic Planning: Creating Balance for You and Your Organization."
- 7) **August 29: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the September Board Meeting.