

# **SAN JUAN WATER DISTRICT**

## **Board of Director's Meeting Minutes**

May 14, 2008 – 7:00 p.m.

### **BOARD OF DIRECTORS**

Ken Miller	President
Bob Walters	Vice President
Ted Costa	Director
Pam Tobin	Director

### **SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF**

Shauna Lorance	General Manager
Keith Durkin	Assistant General Manager
Sue Makimoto	Board Secretary
Rick Hydrick	Retail Operations Manager
George Machado	Field Services Manager
Judy Gagnier	Customer Services Manager
Paul Bartkiewicz	Counsel
Chris Von Collenberg	IT Administrator

### **OTHER ATTENDEES**

Sandy Harris	Customer
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### **AGENDA ITEMS**

- I. Consent Calendar**
- II. Presentations**
- III. Committee Reports**
- IV. Information and Action Items**
- V. Public Forum**
- VI. Upcoming Events**
- VI. Closed Session**
- VII. Open Session**
- VIII. Adjourn**

#### **I. CONSENT CALENDAR**

All items under the consent calendar are considered to be routine and are approved by motion. There will be no separate discussion of these items unless a member of the Board, audience, or staff request a specific item removed after the motion to approve the Consent Calendar.

- 1. Board of Director's Meeting Minutes  
M/S/C to accept the San Juan Water District's Board of Director's meeting minutes of April 9, 2008 with no corrections. 4 Aye votes.**

#### **II. PRESENTATIONS**

##### **1. IT Master Plan**

Chris Von Collenberg presented the Information Technology Master Plan. (Attachment A)

##### **2. Quarterly Financial Report**

Mary Morris presented the Quarterly Financial Report. (Attachment B)

**3. Quarterly Investment Report**

Mary Morris presented the Quarterly Investment Report. (Attachment C)

**III. COMMITTEE REPORTS**

**1. Conservation Committee 4/11/08**

**1.1 Update on CUWCC Activities**

The committee was briefed on the revisions taking place at the California Urban Water Conservation Council. Currently, all BMP's are being evaluated for change. Once adopted, these BMPs will be in effect for the next 10 years. Lisa has been participating on various committees making sure San Juan and the San Juan families were being properly represented. It was noted that BMP 3 (distribution system audit) revisions were going to be held separately and have not yet been discussed.

**1.2 Entry Drive Landscape Improvements Project**

None

**1.3 Other Conservation Matters**

The Governor called for a 20% water use reduction from water agencies by the year 2020. Legislation is moving that implements a strategy on how these agencies will save the water and what unit of measurement will be used to gauge these savings. San Juan needs to evaluate the bill and provide comment on its concerns.

Ms. Lorance expressed a thought that additional conservation support may be needed to better represent San Juan Wholesale in these changing times. Legislation is being introduced at a much greater rate and the State is becoming actively involved in directing California water agencies towards greater efficiencies.

**2. Public Information Committee 4/15/08**

**2.1 Review Rate Increase Postcard**

The committee reviewed the Notice of Public Hearing postcard that will be used to notify customers of a proposed rate increase to be discussed at the June 11 board meeting. The postcard will be mailed by April 25 to meet Prop 218 notice requirements. The committee recommended a few revisions to the postcard text.

**2.2 Other Public Information Matters**

Shauna Lorance briefly discussed the many current issues that are in the public radar and could have an effect on the public information committee:

- ◆ The governor has announced a mandatory 20% reduction in per capita water use by 2020.
- ◆ Senate Bill 27, Introduced by Senator Joe Simitian, creating a delta water and land authority and establishing a \$5 per acre foot charge for diversions upstream of the delta, and up to \$50 per acre foot charge for those diverting water around (and through?) the delta.

- ◆ AB 2882 introduced by Assembly Member Wolk authorizing voluntary conservation pricing for water agencies. The concern is this will likely become mandatory through CUWCC or elsewhere.
- ◆ The District is currently meeting BMP 11 through the alternative Canadian model exemption. This exemption will phase out and require the District to receive 70% of revenue from the volumetric portion of water rates. This will require restructuring the District water rates.
- ◆ Delta Vision Blue Ribbon Task Force, chaired by Phil Isenberg, is recommending:
  - Restructuring water allocations in California
  - Requiring agencies upstream of the delta to be part of the delta solution
  - Regulating groundwater through the SWRCB
- ◆ USBR has reduced the District's water allocation to 75% of past usage
- ◆ CUWCC review and revision to the current BMPs

### **3. Finance Committee 4/16/08**

#### **3.1 Financial Impact of Capital Improvement Projects**

As a result of the loss of a major portion of federal funding for the Hydraulics Improvement Project, the District needs to prioritize projects and update the financial plans. Staff provided a copy of the current Wholesale 10-Year Capital Improvement Program ("CIP") schedule with two different scenarios for this and several other projects. The first shows more project costs in Fiscal Year 2009-2010 and the second pushes those that can be pushed out to Fiscal Year 2012-2013 in an effort to delay the debt financing required. According to internal analysis, Scenario 1 is estimated to increase rates by an additional 8% and Scenario 2 by an additional 2%. The Wholesale increase would be 24% and 18%, respectively. This will have an impact to all retail agencies, including San Juan Water District retail service area.

Currently, there is federal funding available through the Army Corps of Engineers ("Corps") for purchase of the tube settlers needed for a portion of this project. The District is concerned that if staff does not act to secure that funding, it could be programmed to other agencies. There was discussion on other projects ongoing in the region. In order to move, the general manager would need to request a contract through the Corps. The committee discussed and clarified that there would be options for terminating this contract. The committee agreed that the District should move to secure this funding.

**M/S/C to authorize the General Manager to pursue funding agreement with the Corp of Engineers for tube settlers project. 4 Aye votes.**

#### **3.2 Other Finance Matters**

There were no other finance matters.

### **4. Engineering Committee 4/18/08**

#### **4.1 Schedule of Wholesale Capital Improvement Program Projects**

The committee reviewed the ten-year Capital Improvement Program from the Wholesale Financial Plan and two scenarios that District staff is evaluating to

reschedule projects to reduce rate impacts. Projects that are necessary to rehabilitate or upgrade facilities to meet existing water demands, reliability goals, or regulatory requirements are scheduled for the first few years of the CIP. Projects that are recommended to address less critical rehabilitation requirements, enhance treatment plant performance, or provide additional capacity are being delayed to later years. The committee agreed that all the projects in the CIP are necessary and need to be accomplished as recommended.

#### **4.2 Other Engineering Matters** **Wholesale Metering Improvements Project**

The committee discussed the current status of the Wholesale Metering Improvements Project. Design on the project has begun and is scheduled for completion by September 2008. Construction will take place during the winter months when water demands are lowest and the affected pipelines can be shut-down. Staff has determined that the meters and large diameter valves for the project may take as long as 20-weeks for delivery, therefore staff is recommending these items be pre-purchased by the District for installation by the construction contractor. In addition, the District may need to sole source purchase the meters to get the type of meter, accuracy, and features required. Staff is verifying sole source purchase requirements with legal counsel. The committee agreed with staff's recommendation to obtain quotes for pre-purchasing the meters. Once quotes are obtained this item will come back to the board for discussion and action.

#### **5. Ad Hoc Retirement Committee 4/22/08**

##### **5.1 CalPERS 3% @ 60 Normal Cost**

The committee reviewed the normal cost of the 3% @ 60 Retirement Formula. The normal cost based upon the Fiscal Year 2008-2009 Employer Contribution is approximately 11%.

##### **5.2 Health, Post-Retirement Health and Retirement Packages**

The committee continued review of the table of current packages and several optional packages, with the committee recommended options in the far right highlighted column. The committee had no changes at this time. In the event that the healthcare environment changes, Director Costa and Tobin request that staff be prepared to move the health coverage from CalPERS.

##### **5.3 Actuarial Assumptions from CalPERS**

Director Costa had previously provided the detail list of salary growth actuarial assumptions from CalPERS. Staff confirmed that these are the detail assumptions which are summarized in the annual report. He feels that if the District follows CalPERS assumptions in determining pay increases, the plan will remain solid.

The committee discussed concerns that strictly following the assumptions would not serve as an effective management tool and that it could be construed as age discrimination, which legal counsel confirmed. The committee agreed that while strictly adhering to these assumptions would not be appropriate, maintaining a maximum annual salary adjustment is prudent.

#### **5.4 CalPERS Policy**

The committee reviewed the San Juan Water District Policy on Calculating Compensation under the District's CalPERS Retirement Plan that was approved by the Board of Directors in October 2004. This policy defines what constitutes compensation under the retirement plan, process for amending the retirement plan and compliance measures. With the exception of the "Introduction" paragraph, the policy is contained within the Employee Manual, Retirement Policy Number 13010. The introduction paragraph will be incorporated into that policy by resolution as part of the committee process.

#### **5.5 Special Board Workshop Presentations**

Staff provided a draft outline of the Special Board Workshop Presentations. The committee reviewed and agreed that the first meeting presenting educational information should be split into two meetings due to the amount of information. These will be separated into "retirement" and "health", and should include a history of the CalPERS plan implementation.

At a prior meeting, Director Costa suggested that Marcia Fritz had a good presentation on these topics. The committee decided to proceed with the information that has already been collected and provided for the Special Board Workshop Presentations. The committee will then evaluate whether to ask Marcia Fritz to make her presentation to the committee. The committee tentatively planned the Board of Director workshops for July or August. Staff will begin looking for an open week to schedule.

#### **5.6 Other Ad Hoc Retirement Matters**

There were no other retirement matters.

### **6. Legal Committee 5/1/08**

#### **6.1 Wholesale Water Supply Agreements**

The wholesale agencies entered into interim wholesale water supply agreements to provide time to develop a shortage policy. With the completion of the shortage agreements, it is time to complete the long term wholesale water supply agreements. The long term agreements have the same format as the interim agreements, with slight modifications to include reference to the shortage agreements. The long term agreements will supersede all previous water supply agreements; member agencies will have first priority to utilize facilities and water entitlements; and requires compliance with CVP contract requirements. The term of the long term agreement is through February 28, 2045. The same terms included in the agreements with the member agencies will be applied to the San Juan Water District retail service area.

**M/S/C to approve Resolution 08-15 approving the long term wholesale water supply agreements with CHWD, OVWC, and FOWD. 4 Aye votes.**

## **6.2 Burress Encroachment**

At the April Board meeting, Director Peterson requested further discussion on the need to require an encroachment agreement with a property owner within the District. The owner has built an additional room that extends to the easement, or potentially into the easement. There are also concrete decking, retaining wall, and trees within the easement. After much discussion, the committee recommends requiring an encroachment agreement or removal of the facilities within the easement.

With board concurrence, staff will work with legal counsel to develop a specific encroachment agreement for signature by the Burreesses.

**M/S/C for legal counsel to develop a specific encroachment agreement for signature by the Burreesses. Absent the Burreesses signature, the issue will be brought back to the Board. 4 Aye votes.**

## **6.3 Delta Solution Proposals**

The Board of Directors Goal #4, Protect American River Water Supplies, includes objective to assure Delta fixes do not come at the detriment to the American River water supply through involvement in the Delta Vision process. Paul Bartkiewicz drafted a delta solutions principles paper for the Metro Chamber (attached). The principles consist of:

- ◆ Delta solutions must be based on sound science
- ◆ Comprehensive approach/initial actions
- ◆ Comprehensive approach/long term actions
- ◆ Delta solutions must protect watershed of origin rights.

The delta principles will become an element of the state legislative outreach plan, included in board Goal #3.

## **6.4 Ordinance Review**

Staff has completed the ordinance review. Substantial revisions are summarized as follows:

1. Move rates and fees out of ordinances and reference Resolution as approved by the board from time to time.
2. Section 9000.05 page 9-2: further define area around meter box to be 2 feet or greater.
3. Pg 18-7: master meters- Due to infeasibility of providing water supplies to individuals included on a master meter, revised to not allow individual billing after shut off of master meter.

## **6.5 Other Legal Matters**

Quick overview on current legislation provided to committee.

## **7. Finance Committee 5/13/08**

### **7.1 Review bills and claims from the General Fund Account**

Bills and claims in the amount of \$1,241,626.50 were reviewed by the committee and found to be in order. In accordance with recommended practices, the committee specifically reviews any credit card charges and reimbursements for the

General Manager, Assistant General Manager and Finance & Administrative Services Manager. Other randomly selected bills were reviewed by the committee, including City of Roseville and legal. All were found to be in order.

Mary Morris reported that an invoice for Petersen Construction, Inc. was received, but staff is still reviewing the details for approval of that payment. Staff would like to pay the invoice once the exact amount due is determined, rather than holding until the meeting next month.

**M/S/C to approve Resolution 08-11. 4 Aye votes.**

**M/S/C to authorize payment of the invoice for Petersen Construction, Inc. in an amount not to exceed \$46,851.03. 4 Aye votes.**

### **7.2 Computer Shared Storage**

Ms. Morris reviewed the computer server replacements that were discussed at the last meeting. There is currently \$13,000 budgeted for the CIS server replacement that needs to be completed soon. Chris Von Collenberg, the District's IT Administrator, has reviewed all information technology and proposes a more proactive, efficient approach to replacement of file servers.

He discussed the benefits of shared storage: eliminates the need to replace the CIS server; reduces the number of physical servers from 13 to 3; reduces ongoing operations, maintenance and capital costs; consolidates storage allowing for reallocation as needed; provides enhanced backup capability; and reduces administration time which eliminates the need to fill the IT Technician position at this time. Mr. Von Collenberg reviewed the RFP process and stated that ACS scored the highest based on points criteria while also being the low bid in the amount of \$44,573.

**M/S/C to approve award of contract to ACS for Shared Storage based upon a total bid of \$44,573 with a total authorized budget amount of \$49,000. 4 Aye votes.**

### **7.3 Proposed FY Budget/Retail & Wholesale Rate Increases**

Mary Morris distributed the draft proposed budget to the committee and walked through the document. The operations budget is balanced as planned in the five year financial plans for both wholesale and retail. The increases of 16% Wholesale and 7% Retail are included as placeholders until the impacts of the increase in capital costs are provided by Bob Reed in the next week or two. The financial plans are being updated to reflect the changes in the capital program under two potential scenarios of project scheduling; current schedule, and one with some projects delayed until 2012/2013. Both options will be provided to the Board at the May 28, 2008 meeting for further discussion.

All tables containing water rates and capital facility fees have been included in the budget and will be updated once proposed rate increases are finalized. The accomplishments and goals are being completed by managers and will be

included. In general, the budget includes normal annual increased costs to provide water to customers with the CPI increase estimated at 3% based upon the most recent numbers. April is the month used for this calculation and should be available shortly. Note: this number was published 5/14/08 and is 3.3%.

The committee had questions on various items contained within the budget to ensure that costs are being appropriately managed and incorporated into the budget. Director Costa confirmed that the District could continue with some capital projects while deferring others if there is no debt issuance as listed in the financial plan. Staff confirmed that was correct, however, projects would need to be re-prioritized at that point. The Proposed Fiscal Year 2008-2009 Budget will be presented to the Board of Directors on May 28, 2008 and the Public Hearing will be held June 11, 2008.

**7.4 Chemicals**

Last year, when the District issued bids for chemicals, staff included an option for a one-year contract renewal provided that the service and supply of chemicals was satisfactory to the District. Three of the chemical vendors have provided renewal pricing which fell within the maximum inflationary index contained in the contract.

<b>Company/Product</b>	<b>FY 08</b>	<b>Increase</b>	<b>FY 09</b>
Ashland - Polymer Nonionic	\$.68/lb	5%	\$.71/lb
Ashland - Polymer Anionic	\$.72/lb	5%	\$.76/lb
Graymont - Lime	\$150/ton	10%	\$150/ton
Olin (formerly Pioneer) - Chlorine	\$394.90/ton	6.33%	\$419.90/ton

The vendor for alum is unable to renew within that inflationary index, citing increased fuel costs and cost of alumina and sulfuric acid used in production of alum. The current cost for alum \$267.33 per ton and would increase to \$417.33 per ton. In the prior fiscal year, the District spent approximately \$209,000 for alum. While this increased cost may be unavoidable, staff is prepared to issue bids in order to seek the most competitive price.

**M/S/C to approve contract renewals with Ashland for Polymer (Nonionic and Anionic), Graymont for Lime, and Olin for Chlorine. 4 Aye votes.**

**M/S/C to approve issuing bids for Alum. 4 Aye votes.**

**7.5 Other Finance Matters**

In April, the Board rejected all bids for the entry drive landscaping and sign. Staff was asked to bring back the cost of landscaping outside of the south gate and the sign. Yamasaki Landscaping provided an estimate of \$55,000-\$60,000, which includes: \$12,900-retaining walls, \$13,400-sign, \$12,800-landscaping, \$10,000-faux boulder (sign), \$5,000-\$10,900-contingency. The committee discussed this item and agrees with the components of the landscaping, but would like to discuss signage with the full Board of Directors.

Discussions took place regarding the boulder issue.

**M/S/C to authorize staff to go out for bid for the landscaping outside the south gate and the sign. 4 Aye votes.**

Director Miller would like to know the number of meetings attended for each director per month for the most recent quarter. The Directors Expense Summary was distributed at the Board Meeting.

### **III. INFORMATION AND ACTION ITEMS**

#### **1. General Manager's Report**

##### **1.1 Calling for General District Election on November 4, 2008.**

The Members of the Board of Directors are elected for staggered four year terms. Ted Costa, Dave Peterson, and Bob Walters ran unopposed in 2006. The seats currently held by Ken Miller and Pam Tobin are up for election in November 2008.

**M/S/C to approve Resolutions 08-13 and 08-14 calling for the election and submitting the measure to a vote of the voters. 4 Aye votes.**

##### **1.2 Regional Water Awareness**

The 2007-2008 water year started off with adequate snow pack. The driest March and April on record has resulted in a relative dry year. The USBR has reduced allocation to water agencies by 25%, to an allocation of 75% of the average use over the past five years.

San Juan Water District has used an average of approximately 8000 acre-feet of CVP water over the past 5 years. Our allocation for the 2008-2009 water year is projected to be 6000 acre-feet. This is a reduction of 2000 acre feet. Since the District uses approximately 55,000 acre feet a year, a 2000 acre-foot reduction is approximately a 3.5% reduction in total available surface water supply. Groundwater is available to meet any demand over the available surface water supply.

Due to the water runoff into streams and reservoirs at only 55% to 65% of normal, and the reservoirs are low due to last years dry conditions, water agencies in the region met to discuss what actions the region should take. The agencies reached consensus that customers should be made aware of the dry conditions, and request voluntary water conservation. The attached list of talking points was developed and agreed upon by all involved.

The City of Roseville has increased their conservation stages from Stage 0 (normal) to Stage 1 (water alert). This is similar to an increase in the Districts conservation stage from Stage 1 (normal) to Stage 2 (water alert).

The general managers from the family agencies have agreed to recommend to their board of directors to declare a Stage 2 water conservation level.

**M/S/C to declare a Stage 2 (water alert) conservation level. 4 Aye votes.**

### 1.3 Current Legislation

There are a few legislative activities (and kind-of legislative activities) that could effect the District. I have provided very brief summaries:

- ◆ 2008 eminent domain initiatives
  - Prop 98 – could cause problems, vague on whether eminent domain is allowed to be used for water facilities.
  - Prop 99 – ok with us
- ◆ Senate Bill 27
  - Introduced by Senator Joe Simitian
  - Establishes a delta water and land authority
  - Manage any conveyance project
  - Establishes an annual \$5 per acre-foot fee for diversions upstream of the Delta, and up to \$50 fee for all water pumped around (through also?) the delta
  - Establishes a program under which the Authority would seek to implement “restoration programs” in Delta tributaries based on the recommendations of the U.S. Fish and Wildlife Service’s Anadromous Fish Restoration Program (“AFRP”)
  - requires that any water user that seeks to convey water through a Delta conveyance facility first demonstrate that the State Water Resources Control Board (the “SWRCB”) has approved that water user’s substantial water-conservation program
  - only take effect if the voters approve Senate Constitutional Amendment 2, which would state requirements for amending SB 27 that would be nearly impossible to satisfy
  - SB 27 requires a two-thirds legislative vote to pass.
  - **Currently held in committee for modifications and reductions in scope. The committee feels the delta conveyance aspect is ahead of the Delta Vision Blue Ribbon Panel Report.**
- ◆ Assembly Bill 2882
  - Introduced by Assembly Member Wolk
  - authorize a public entity to adopt allocation-based conservation water pricing meeting certain requirements
  - concern that authorizing voluntary use of conservation pricing included in bill will become required.
  - **Assembly has sent to Senate**
- ◆ Laird (AB 2175)
  - Makes mandatory the governors 20% reduction in per capita water use by 2020, with 5% by 2012 and 10% by 2015.
  - **Scheduled to be heard by the assembly appropriations committee on May 7, 2008.**
- ◆ Delta Vision Blue Ribbon Task Force
  - Chaired by Phil Isenberg
  - At the March 20 meeting
    - The Committee made five recommendations to the SWRCB:
      1. Statewide conservation

2. Use of public trust, reasonable use, and no waste provisions of the Constitution
  3. Identify and act on diversions within the Delta and Delta watershed
  4. Identify and act on opportunities to integrate Board [SWRCB] actions with those of other agencies and private parties to achieve California's policy goals
  5. Protect species as part of water flow and water quality determinations
- Task Force has discussed and/or recommended:
    - Restructuring water rights in California
    - Upstream must contribute to delta solution
    - Groundwater should be regulated by SWRCB or other means

#### **1.4 Bypass Pipeline**

The District has been working with USBR to identify a way to maintain the existing raw water pipeline, as well as provide reliability for the District and the City of Roseville's raw water supply, since 2000. Many different proposals have been discussed, and all have been unsuccessful.

The District and the City of Roseville have been working with Rick Johnson, USBR acting area manager, to identify a project that can be accepted by USBR, the District, and the City of Roseville. We finally have identified a solution that appears to work. SJWD, in cooperation with the City of Roseville, will be responsible for designing and constructing the pipeline portion of the bypass pipeline. USBR will be responsible for the design and construction of the valving and necessary connections at the existing raw water pipeline.

All three entities have signed a letter of intent for the project, which is included with this staff report for your information.

The Board previously provided authorization for staff to issue an RFP for the design of the bypass pipeline. The RFP is currently being reviewed by USBR, and is expected to be issued the week of May 12.

#### **1.5 Report Back Items**

No report.

#### **1.6 Correspondence**

1.6.1 Jeffrey Moss – LAFCO

1.6.2 April 2008 Runoff Report

1.6.3 California First 5 requesting the District to utilize grant funding for fluoridation. Will be on next board agenda.

1.6.4 Mike Schaffer is requesting the board to make comment on water rights for the Auburn Dam. Paul Bartkiewicz will draft a comment letter and it will be brought before the board at the next board meeting.

## **2. Assistant General Manager's Report**

### **2.1 Wholesale Service Area Water System Hydraulic Model**

As part of the wholesale agency dry year and emergency condition water supply planning, the Family Agency General Managers recommended that a hydraulic model of the wholesale transmission system and each agency's retail water distribution system be developed to evaluate conjunctive use and resource sharing. Brown and Caldwell Environmental Engineers and Consultants (BC) were selected to complete the model. Work began on the project in January 2008.

Work on the model is continuing. However, several agencies had difficulty providing information and system data to BC so that their individual hydraulic models could be prepared or updated and input into the integrated wholesale area model. All required information has now been submitted to BC and the modeling work is progressing satisfactorily. BC is performing some project tasks simultaneously where possible to make up for the delay, but the project is still about 2-1/2 months beyond the original schedule.

Due to the additional work required to obtain and analyze data from several of the agencies along with related project management activities, the project is currently over the initial budget by approximately \$8,000. However, this is still within the total authorized project budget.

### **2.2 Bypass Pipeline Technical Committee**

The District, City of Roseville, and USBR have come to agreement on an approach to design and construct the bypass pipeline. To implement the project, a technical committee was formed consisting of engineering staff from each agency. The committee has held two meetings to date; on April 29<sup>th</sup> and May 13<sup>th</sup>.

The committee has accomplished the following tasks:

- Developed a work division breakdown consistent with the letter of concurrence signed by each agency on April 29, 2008.
- Established communication protocols and authorities, and developed a work plan based on a collaborative effort to allow success completion of the project.
- Confirmed the project concept and features as developed in San Juan Water District's 2003 Preliminary Design Study.
- Reviewed the request for proposals prepared by SJWD for consultant services for pipeline design and construction support. RFP to will be released on May 19<sup>th</sup> with consultant selected scheduled for mid-July.
- Identified an approach to complete the NEPA/CEQA documentation required for the project. SJWD will act as the lead agency.

- Reviewed the application requirements and procedure to obtain the right-of-entry and land use authorization (easement) required for pipeline design, construction, and ownership. SJWD has initiated the application process.
- Developed a draft Project Management Plan and schedule.
- Identified preliminary design assumptions and criteria and critical path issues for the project.

### **2.3 Water Treatment Plant In-house Projects**

Keith Durkin presented an update on a WTP In-house Project. (Attachment D)

### **2.4 Report Back Items**

No report.

### **2.5 Correspondence**

No report.

## **3. Finance and Administrative Services Manager's Report**

### **3.1 Property Tax Update**

Mary Morris reported that property taxes will not be borrowed under Prop. 1A and will not be shifted away from water/wastewater districts following the Governor's May Revised Budget. Staff will continue to monitor this issue and update the Board if any changes arise.

### **3.2 Report Back Items**

No report.

### **3.3 Correspondence**

3.3.1 CalPERS to Distribute Medicare Funds

3.3.2 CalPERS Pension Investment Manager Russell Read to Resign

## **4. Directors' Reports**

### **4.1 SGA**

Director Tobin provided report (Attachment E)

### **4.2 RWA**

No report.

### **4.3 Executive Committee**

Draft minutes were provided for review.

### **4.4 ACWA/JPIA**

Met at ACWA Conference.

### **4.5 ACWA Region IV**

Met at ACWA Conference.

### **4.6 CVP Water Users Association**

Met at ACWA Conference. No quorum.

**4.7 LAFCo**

No new information.

**4.8 Other Reports**

No report.

**5. Legal Counsel's Report**

**5.1 Legal Matters**

No report.

**IV. PUBLIC FORUM**

No comment.

**V. UPCOMING EVENTS**

1. 2008 Bay-Delta Tour  
Water Education Foundation  
June 4-6, 2008
2. State Advocacy Day  
State Capitol  
June 18, 2008

**VII. ADJOURN**

**The meeting was adjourned at 9:06 p.m.**

**Future Meeting Dates:**

- May 28, 2008
- June 11, 2008

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KENNETH H. MILLER, President  
Board of Directors  
San Juan Water District

ATTEST:

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Sue Makimoto, Board Secretary