

Marina Coast Water District

Marina Council Chambers  
211 Hillcrest Avenue  
Marina, California

Regular Board Meeting  
March 18, 2013  
6:00 p.m.

Draft Minutes

1. Call to Order:

President Moore called the meeting to order at 6:00 p.m. on March 18, 2013.

2. Roll Call:

Board Members Present:

Tom Moore – President  
Jan Shriner – Vice President  
Howard Gustafson  
Peter Le

Board Members Absent:

Bill Lee – Excused

Staff Members Present:

Brian Lee, Deputy General Manager/District Engineer  
Roger Masuda, Legal Counsel  
James Derbin, Operations and Maintenance Superintendent  
Jean Premutati, Management Services Administrator  
Patrick Breen, Project Manager  
Brian True, Capital Projects Manager  
Jeanine DeBacker, Legal Counsel  
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Ken Nishi, Marina Resident  
Pete Talbot, HDR Constructors  
Paula Pelot, Marina Resident  
Denise Turley, Marina Resident  
Dan Amadeo, Marina Resident  
Mike Owen, Marina Resident  
Mike McCullough, MRWPCA  
Brian Boudreau, Monterey Downs  
Beth Palmer, Monterey Downs  
Sid Williams, Marina Resident  
Rick Riedl, SCSD

3. Public Comment on Closed Session Items:

No comments.

The Board entered into closed session at 6:00 p.m.

4. Closed Session:

A. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation  
(Subdivision (a) of Section 54956.9)

1) Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County Superior Court Case No. M105019 Sixth Appellate District Court of Appeals Case No. H038550

2) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, Monterey County Superior Court Case No. M120053 (Complaint for Declaratory Relief)

3) State Water Resources Control Board's Proposed Revocation of Monterey County Water Resources Agency Water Right Permit 11043 authorizing the diversion of up to 168,538 acre-feet per year from the Salinas River

B. Pursuant to Government Code Section 54956.9 (c)

Conference with Legal Counsel – Anticipated Litigation  
Potential Initiation of Litigation  
One Case – MCWD Claims against Monterey County and MCWRA

C. Pursuant to Government Code Section 54956.9(b)(1) and 54956.9(b)(3)(C)

Conference with Legal Counsel – Anticipated Litigation  
Potential Litigation  
Two Cases

1) Claims of MCWRA and Monterey County against MCWD

2) Claims of California-American Water Company against MCWD

D. Pursuant to Government Code Section 54957

Conference with Legal Counsel  
Public Employee Performance Evaluation  
Title: General Manager

The Board ended closed session at 6:59 p.m.

President Moore reconvened the meeting to open session at 7:03 p.m.

5. Possible Action on Closed Session Items:

Mr. Roger Masuda, Legal Counsel, stated that no reportable actions were taken in closed session.

6. Pledge of Allegiance:

President Moore asked Director Le to lead everyone present in the pledge of allegiance.

7. Oral Communications:

Mr. Mike Owen, Marina resident, voiced his appreciation to the Board for having the meetings televised and noted that it is a benefit to the public who will be pleased to see everyone on television.

Ms. Paula Pelot, Marina resident, echoed Mr. Owen's statements and thanked the Board stating that it is her hope this will bring more people to the meetings and the community will be better educated.

8. Consent Calendar:

Director Gustafson requested to pull agenda item 8-G from the Consent Calendar.

Director Le requested to pull agenda items 8-B, 8-C, 8-E and 8-F from the Consent Calendar.

Director Gustafson made a motion to approve the Consent Calendar consisting of:

- A) Adopt Resolution No. 2013-21 in Recognition of World Water Day 2013
- D) Approve the Expenditures for the Month of February 2013

Vice President Shriner seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

B. Receive the Quarterly Financial Statements for July 1, 2012 to September 30, 2012:

Director Le noted that the Finance Director was not at the meeting and said that he can get the answers to his questions later. He questioned what cost center the Imjin Office Park is charged to or if it has a special account. Director Le also asked that staff double check the numbers for the IOP Construction Loan because he thought the last report said the loan was \$3.2 million and this report has the loan at \$2.228 million. He asked that staff provide the answers to those questions at a later time.

Agenda Item 8-B (continued):

Director Le made a motion to receive the Quarterly Financial Statements for July 1, 2012 to September 30, 2012. Vice President Shriner seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

C. Receive the Quarterly Financial Statements for October 1, 2012 to December 31, 2012:

Director Le questioned if the Budget FYTD was correct in showing it was 50%. He also asked if the Recycled and Regional Project costs include legal fees or if they are accounted for somewhere else.

Vice President Shriner made a motion to receive the Quarterly Financial Statements for October 1, 2012 to December 31, 2012. Director Le seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

E. Approve the Draft Minutes of the Regular Board Meeting of February 12, 2013:

Director Le asked staff to check and add more comment from Ed Mitchell on page two of the minutes. He also asked that on page 8, the motion to item C, read, "University Village Apartments Development with the condition ~~event~~ that a payment...".

Director Le made a motion to approve the draft minutes of the regular Board meeting of February 12, 2013 as revised. Vice President Shriner seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

F. Approve the Draft Minutes of the Special Board Workshop of February 23, 2013:

Director Le asked that his comment regarding the cost split be added to page 4 of the minutes, first paragraph under item B. On page 6 of the minutes, Director Le asked that Mr. Breen's response under item C include the price Mr. Breen quoted of \$1.47 per square foot. Director Le asked that page 7 show Mr. True's response to the Master Plan update in the third paragraph of item D.

Agenda Item 8-F (continued):

Vice President Shriner suggested removing the fifth paragraph from page 5 of the minutes. Director Le requested that the paragraph remain.

President Moore requested that the revised minutes be brought back to the next meeting for consideration.

G. Approve the Draft Minutes of the Regular Board Meeting of February 26, 2013:

Director Gustafson asked that his absence be shown as excused due to illness.

Director Le asked that page 3, last paragraph show that he suggested there be a written policy in addition to the MOU stating that the District will pay professional organization fees. Director Le asked that staff check to see who made the motion to item C on page 5 of the minutes as he thought he made the motion. Ms. Riso stated that Director Le and Vice President Shriner made the motion at the same time and President Moore gave the motion to Vice President Shriner, but she would double check the tape. Director Le asked that "application fee" be added to the motion for item B on page 5 so it reads, "...only charge for the set/remove and application fees for the temporary fire-hydrant..."

Director Le made a motion to approve the draft minutes of the regular Board meeting of February 26, 2013 as revised. Vice President Shriner seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	Abstained	President Moore	-	Yes
Director Le	-	Yes			

9. Action Items:

A. Consider Motion for Reconsideration of the Adoption of Resolution No. 2013-18 (Approving a Variance Request Regarding Metering for The Promontory Development Project) and to Reconsider Adoption if the Motion Passes:

Mr. Masuda noted that Director Lee had asked that this item be reconsidered and then explained the procedures for reconsideration of an approved item. He did caution that once an item is approved and notice is given to the contractor who then begins work, if it is reconsidered at the next meeting and the approval is revoked, there could be legal ramifications for breach of contract.

Director Le asked what the reason was for reconsidering this item. President Moore answered that Director Lee asked for reconsideration but was out of the country and no one knew what his concerns were. Vice President Shriner asked if it could be tabled until the next meeting.

Agenda Item 9-A (continued):

Mr. Masuda answered that the rules don't allow tabling this item until the next meeting. Mr. Brian Lee, Acting General Manager, noted that following the last meeting when this item was approved, staff notified the developer and both District staff and the developer have moved forward.

Mr. Kenneth Nishi, Marina resident, stated that he had concerns with the legal counsel. He said that if this is the rule, then contracts shouldn't be signed until the time-frame for reconsideration expires.

President Moore asked for a motion to reconsider this item. With no motion to reconsider this item, it stands as approved on February 26, 2013.

B. Consider Adoption of Resolution No. 2013-22 to Approve the District Fraud Policy:

Ms. Jean Premutati, Management Services Administrator, introduced this item.

Vice President Shriner noted a typo on Page 3, item e1 "exits" should be "exist", and asked that President of the Board be added to item f so it reads, "to the General Manager, Legal Counsel, or President of the Board,"

Director Le asked that "if the General Manager is suspected of fraud, the Board would assign the auditor to conduct the investigation" be added on Page 2, item B.

President Moore asked for softer verbiage on Page 1, item A8 regarding material value of gifts.

Mr. Masuda noted the discrepancies regarding gift amount between the different policies, e.g. Employee Handbook, Form 700, District's Conflict of Interest Code and the Fraud Policy, and suggested the Board revisit them.

President Moore asked that the phrase "internal or external auditor" be added to the first sentence of the last paragraph on page 2 so that it reads, "Management must give full and unrestricted access to all necessary records and personnel to the internal or external auditor." And, add the phrase to the second sentence of the last paragraph on page 2 so that it reads, "...including desks and computers are open to inspection by internal or external auditors, at any time."

Ms. Pelot asked if there was an equivalent of a "whistleblowers hotline" in the policy. President Moore asked if staff could add language to the policy regarding a "whistleblower hotline". Ms. Premutati answered she would add the necessary language.

Agenda Item 9-B (continued):

Vice President Shriner asked that a final draft be brought back to the next meeting on the consent agenda. Director Le seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

- C. Consider Adoption of Resolution No. 2013-23 to Authorize the Acting General Manager to Execute a Long Term Lease with the General Services Administration for District Owned Property at 940 Second Avenue, Marina, CA for the Bureau of Land Management Regional Offices:

Mr. Lee introduced this item.

Director Le asked who will pay for the utility bills. Mr. Lee answered that the District would pay for the utility bills as they are included in the lease amount. Director Le asked who would make any necessary property repairs. Mr. Lee answered that, as the owner, the District would be responsible for any necessary repairs not caused directly by the tenant.

Mr. Masuda stated that by approving this Resolution, the District must then secure a loan to construct the building and there could be a problem with finding financing at a rate that everyone is agreeable with. He added that the Board would need to authorize the loan under a separate item.

Mr. Lee commented that the District does have an expression of interest letter from Rabobank for a \$3.2 Million loan at Prime +1% or a 30-Day Libor + 4%. He said that the timing has not allowed staff to actively pursue other financing options.

President Moore asked if the Board could approve the lease subject to the General Manager finding adequate financing for the building. Mr. Masuda stated that staff has already discussed that with GSA and they said they don't do it that way. He said that either the District signs the lease and commits themselves to finding the financing or the District doesn't sign the lease. Mr. Masuda commented that the Board meets again in two weeks and staff can continue to look for financing until then. He reminded the Board that the lease amount is favorable although at the 5% interest rate, the District would be in the red about \$5,000. Mr. Masuda added that there was value in that the District would still own the building and property.

President Moore asked if GSA would give the District more time to finalize this. Mr. Lee said it was unknown if they would give the District more time, but, the important thing is that the District needs more time to resolve the loan issues.

Director Le asked the deadline of when the lease needs to be signed.

Agenda Item 9-C (continued):

Mr. Patrick Breen, Project Manager, answered that GSA has been waiting for action by the Board and they have indicated that time is of the essence although there is no firm date. He added that he didn't know if the offer would still be available in two weeks.

Director Le commented that he was surprised that the District was involved in real estate as it was not a mission of the District. He voiced his concern over the loan for the FORA building of \$3.2 million and now looking at adding another \$3.2 million would bring the loans to \$6.4 million and with the reserves is only \$8.8 million and it was very dicey.

President Moore asked if there were any other reason other than time issues why the District had not gone after a fixed-rate loan. Mr. Lee answered that there were only time issues. President Moore voiced his concern over signing the lease at this time. He stated that they would have to take the chance with GSA and bring it back on April 1<sup>st</sup>.

Director Le commented that staff should see if CSDA was interested in financing this project or perhaps look at funding the project through an internal loan and use reserves which is only earning a 1.25% interest rate.

Mr. Lee commented that staff would return on April 1<sup>st</sup> with a firmer proposal on this project.

D. Consider Adoption of Resolution No. 2013-24 to Address the Suspended Professional Services Agreement with HDR Constructors, Inc.:

Mr. Lee introduced this item and said that he recommends suspending the contract with HDR Constructors, Inc. through no fault of their own, but that he believes there may be critical flaws potentially in the process that occurred prior to issuing the Statement of Qualifications. He said that he would like time to ask the right questions and find out if there is a need to get this desalination facility online as quickly as possible and he has questions regarding the design/build qualification process as well. President Moore asked if Mr. Lee wanted to suspend or terminate the contract. Mr. Lee said that he wanted to terminate it, but did add that HDR offered to keep the project in suspension for an additional six months while staff continues to investigate and make a firmer recommendation on an alternative water supply study. President Moore asked why Mr. Lee is advising to terminate the contract instead of suspending it. Mr. Lee answered that he didn't feel it was fair to let the consultant hang for any length of time.

Mr. Lee noted that in the Resolution, he put several options for the Board to look at and explained that Option 1, which he was recommending, had a sentence that allows the consultant to invoice the District for time and expenses incurred while the Agreement was active. He explained that staff would like the Board to allow the consultant to invoice for the administrative overhead that they incurred while building the contract, because it wasn't their fault that the contract was terminated.



Agenda Item 9-D (continued):

Director Le commented that the whole project was not transparent. He said that following the RFQ, the District received six proposals but didn't receive any public comment and the Board went with the staff recommendation to award the contract and then added an additional \$75,000 without any public comment. Director Le said that the Board rushed through awarding the contract and when the Marina Water Alliance couldn't sign the contract, the District awarded the contract to a team member. He said that he supports Mr. Lee's recommendation to terminate the contract as this allows HDR Constructors, Inc. to submit to the Monterey Peninsula Water Management District to work on their desal project without any conflict. Director Le added that if there is a new project, the District would invite HDR to submit a proposal.

Vice President Shriner agreed with Director Le's comments and that the District should at least honor the expenses incurred by HDR.

Director Gustafson commented that he never saw Director Le at any of the meetings regarding award of this contract and said that he didn't agree that the District was not transparent.

Director Le stated that he did attend the November meetings when the proposal was discussed.

Mr. Pete Talbot, HDR Constructors, Inc., commented that they would be happy to have the District leave the contract on hold should the District want to access the expertise they have within their team, the number of resources they have, and the knowledge they have gained over the last two years as they tracked the Regional Project and now the Marina only project. He said that they would be happy to help resolve the issues Mr. Lee mentioned. Mr. Talbot said that the expenses they incurred are not a big issue for them. He did explain that the reason the contract is with HDR Constructors is because the Marina Water Alliance is a joint venture and those are formally set up once a selection has been made, but since the Board put them in suspension on January 8<sup>th</sup>, they in turn put the joint venture on hold as well.

Mr. Sid Williams, Marina resident, asked the Board to consider that the District's responsibility is to provide water and if there isn't enough of one kind of water, there is a need to explore other possibilities. He said there is already a project being considered and if there are questions on that project, it can be suspended while trying to answer the questions, not terminated just because some people don't want to see development on Fort Ord. Mr. Williams added that a lot of people are waiting for that water and it is the District's job to provide it.

Ms. Pelot commented that she is glad that the Board is going to take more time to look at this and consider the options in a public manner. She voiced her disappointment at the sniping that continues when new Board members and a new Acting General Manager are trying to sit down and look at this with a fresh set of eyes.

Mr. Nishi commented that the Board was elected to make sure that they will have water in the future, and one of the big issues is protecting the District's groundwater.

Agenda Item 9-D (continued):

Mr. Nishi said that if the District builds a desal plant it will relieve the pumping of groundwater. He added that although the previous Board might have been perceived as not being transparent, they went through the process. Mr. Nishi stated that the Marina Wells, 10, 11, and 12 are in the deep aquifer, and about four years ago, the TDS levels began going up. He said that if that is not a bad indication, watch out. Mr. Nishi added that two Wells in the deep aquifer were just renovated. He stated that he hopes this Board takes action to give the ratepayer the best supply of water at the least cost. Mr. Nishi said that by taking desalinated water and blending it with inexpensive groundwater, you have inexpensive water. He voiced his concern over the BLM lease and that staff had it on the agenda without even knowing the construction cost of the building and what the monthly costs will be. Mr. Nishi said he is not comfortable with the recommendations given by staff and legal counsel. He concluded by saying that if the District builds a 3,000 acre foot desal plant and charged the Marina ratepayers \$100 per acre foot, the District would recoup the money in six years.

Mr. Masuda pointed out that the way the contract is written, until a notice-to-proceed has been issued, no work shall commence and no expenses shall be reimbursed. He stated that HDR was never issued a notice-to-proceed.

Director Le made a motion to adopt Resolution No. 2013-24 to terminate the contract. Vice President Shriner seconded the motion.

Ms. Denise Turley, Marina resident, asked that the Board spend their time on water business and not sniping at each other.

Mr. Masuda clarified that Director Le selected Option 1 in the Resolution, and suggested removing the second sentence that allows the consultant to invoice the District for time and expenses incurred. Director Le modified his motion to include Option 1 with the second sentence deleted. Vice President Shriner seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	No	President Moore	-	Yes
Director Le	-	Yes			

E. Consider Adoption of Resolution No. 2013-25 to Amend the Board Procedures Manual, Section 23, Order of Business:

Mr. Lee introduced this item explaining that the Board can consider moving Closed Session to the end of the meeting. President Moore noted that this is to make it more convenient for the public and the videographer.

Director Gustafson commented that the Board still has to report out after the session and it is still inconvenient for the public.

Agenda Item 9-E (continued):

Director Le said that he was prepared to start the meeting early to ensure the closed session was completed by 7:00 p.m. He added that he would check with the City to see if there is another room available for the Board to use for closed session. President Moore stated that his schedule makes it difficult for him to start before 5:30 p.m. He asked what issues there were with the videographer.

Mr. Lee commented that the videographer needs thirty minutes before the meeting for set up and thirty minutes after the meeting to do his breakdown. He added that another option was to go to the Reservation Road office after open session and continue closed session at that location to allow the videographer time to finalize his work. President Moore asked if there were any legal issues with that. Mr. Masuda said there were no issues unless the Board wanted the report out after closed session to be televised. President Moore commented that perhaps the Board can report out at the beginning of the next meeting what the outcome of the closed session was. Mr. Masuda answered that there would have to be a report out after the closed session of the meeting, and the President can also report out at the beginning of the next televised meeting what the outcome was.

Director Gustafson commented that this move and these meetings are now costing the District four times what it used to cost. He suggested that maybe if a Director doesn't understand something, they should meet with the General Manager before the meeting to get clarification.

Director Le commented that if the City of Marina doesn't allow the District to use any of their conference rooms, there is the community room also available.

Mr. Alex Vasquez, AMP Videographer, clarified that he lives in Marina and he can stop by early in the morning and set up for the meeting so it would only take a minute to get things started following closed session. As to breakdown, Mr. Vasquez said that if the Board was going into closed session at the end of the meeting, he could be out in a minute and return the next day to finalize things.

Director Le made a motion to adopt Resolution No. 2013-25 to amend the Board Procedures Manual, Section 23, Order of Business and allow the President the ability to move the order of closed session and the start time of the meeting. Vice President Shriner seconded the motion. Following discussion where it was decided that the closed session would remain at the beginning of the meeting, Director Le made a motion to add the Public Comment on Closed Session Items and Board Member Requests for Future Agenda Items to the Order of Business. Vice President Shriner seconded the motion. The motion was passed.

Director Lee	-	Absent	Vice President Shriner	-	Yes
Director Gustafson	-	No	President Moore	-	Yes
Director Le	-	Yes			

10. Staff Report:

A. Municipal Services Review – Sphere of Influence – Annexation Discussion:

Mr. Lee stated that staff has been talking with LAFCO and the Seaside County Sanitation District (SCSD) regarding boundaries, and a Municipal Services Review (MSR) draft was due to both agencies in the next week or so. He said that once the MSR was received, District and SCSD staff would work together on boundaries and bring a recommendation to their respective Boards in the near future.

Mr. Lee commented that staff has talked with LAFCO regarding the Sphere of Influence (SOI) and agreed that the SOI would include all the Ord area with the exception of the natural reserve. He said that they also talked about simultaneously doing the MSR and the SOI which will take six to nine months once the application is filed. Mr. Lee commented that legal counsel informed him that an extensive EIR has already taken place and that could help speed up the process. He said that this will be brought back before the Board several times over the next year.

Vice President Shriner thanked staff for looking into the issue and providing an update.

Director Le commented that at one time the Board wanted the entire area including the BLM land included in the annexation and asked if that has changed. Mr. Lee answered that was something he was talking to LAFCO about. President Moore clarified that the SOI would include the East Garrison, Seaside, Monterey, Del Rey Oaks and Marina portions of the Ord Community.

Ms. Turley asked that the District please move toward annexation.

Mr. Masuda clarified that the Sphere of Influence can be broader than the Annexation area.

Director Gustafson commented that before annexation can take place, there would need to be a vote of the Marina residents.

Director Le stated that he would like to proceed with the MSR but start first with the formal application of the SOI.

11. Informational Items:

A. General Manager's Report:

Mr. Lee reported that the Well 11 paving was complete and the discharge piping is being coated and would be complete by the end of the month. He added that SCADA panels will be installed in April, and SCADA would not be included in the smaller lift stations but the CIP will look to see if it needs to be done. Mr. Lee commented that the East Garrison lift station was moving forward and should be complete by the end of March. He also informed the Board that information was still being provided to the consultant and there has not been a schedule for the Rate yet.

Agenda Item 11-A (continued):

Director Le asked that Mr. Lee ask the consultants for a rough estimate on the PRV for the SCADA on the smaller lift stations while they are still here finishing the other lift stations.

B. Counsel's Report:

No report.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Shriner said she was not present and Director Lee attended in her absence.

2. Joint City-District Committee:

President Moore stated that they met and it was a good meeting and there were two new members for the City, Councilmember Morton and Councilmember Brown.

3. Executive Committee:

No meeting was held.

4. Community Outreach:

Vice President Shriner commented that the meeting would be March 21<sup>st</sup> at 6:30 p.m. in the District Boardroom. Director Le commented that he met with the Marina Chamber of Commerce and it was a good meeting. He added that he would be meeting with the Kiwanis's on April 4<sup>th</sup> and the Rotary on April 14<sup>th</sup>.

5. MRWPCA Board Member:

President Moore stated that there was nothing of note to report.

6. LAFCO Liaison:

Director Le stated that the next meeting was March 25th.

7. FORA:

President Moore stated that FORA was working through some issues with the Base Reuse Plan and the Sierra Club.

8. WWOC:

Mr. Lee stated that he reported at the last meeting. Director Le stated that the next meeting was March 20th.

9. JPIA Liaison:

Director Gustafson said that there was nothing to report.

10. Special Districts Association Liaison

Director Gustafson said that there was nothing to report.

11. CalDesal:

Director Le commented that a former Director was on the CalDesal Board and that the District needed to see if they wanted to appoint someone else to CalDesal.

12. Board Member Requests for Future Agenda Items:

A. Board Member Requests:

Director Le said that he would email President Moore his list of items.

Vice President Shriner commented that she would like to see about updating the Master Plans. Mr. Lee commented that staff was looking at updating both Master Plans in the new CIP Plan. Director Shriner asked if there was an update on the Board Procedures Manual in the works. President Moore answered that there would be an update later as there is a fairly large plate of things to discuss already.

Director Le asked about a joint meeting with FORA to discuss water sources and the CIP. President Moore commented that they were looking to combine it with the Budget process.

B. Notice Date for Strategic Planning Workshop – April 13, 2013:

President Moore reminded everyone of the Strategic Planning Workshop and noted that public was invited to attend. Director Le asked if following the workshop, the Board could get a tour of the District facilities. Mr. Lee asked the interested Board members to email him and he would set something up.

13. Director's Comments:

Director Gustafson commented that Director Le was costing the District more money and asked when it was going to stop.

Vice President Shriner commented that Director Le was doing an amazing job. She then reminded everyone that Friday, March 22<sup>nd</sup> was World Water Day. Vice President Shriner thanked the public for their participation in the Strategic Plan Public Workshop.

Director Le commented that he wanted the public to know that the Board was going to explore other options to supply water for future demand.

President Moore voiced his agreement with what Director Le said and noted that when more information was available the Board would share it with the public.

14. Adjourn to Closed Session at the District Board Room, 11 Reservation Road:

President Moore stated that the Board did not need to return to closed session.

15. Adjournment:

The meeting was adjourned at 8:55 p.m.

APPROVED:

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Thomas P. Moore, President

ATTEST:

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Brian Lee, Acting General Manager