

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
MAY 24, 2012**

WATER PLANNING COMMITTEE

CALL TO ORDER/ROLL CALL

Chair Dion called the Water Planning Committee Meeting to order at 9:00 a.m. Committee members present were Chair Dion, Vice Chairs Price and Saunders, Directors, Heidel, Hogan, Jungreis*, Lamb, Linden, Pocklington, Sanford*, Steiner*, Watton and Williams. Director Boyle was absent. Also present were Directors Bailey*, Barnum, Brady*, Dailey, Saxod, Smith, Topolovac, Weston, and Wilson*. At that time, there was a quorum of the Board and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Water Resources Weinberg, Water Resources Managers Purcell and Yamada and Water Resources Specialist Dobalian.

PUBLIC COMMENT

Chair Dion advised there would be two public speakers for Agenda Item II. 1.

DIRECTORS' COMMENTS

There were no Directors' comments.

CHAIR'S REPORT

Chair Dion reported that staff would continue actively working with Poseidon Resources on developing a draft agreement for the Carlsbad Seawater Desalination Project, and that the Committee and Board would have opportunities to discuss substantive issues in the coming months, including at a Special Board meeting scheduled for June 14, 2012, at 1:30 p.m. In addition, Chair Dion remarked that, in June, staff from the Water Authority and the Scripps Institute of Oceanography would participate in a series of climate change community briefings to be held at the San Vicente Reservoir followed by tours of the dam raise project. In closing, Chair Dion congratulated the city of San Diego Public Utilities Department on the recent release of its Recycled Water Study, and urged Board members to tour the Indirect Potable Reuse demonstration project at the city's North City Water Reclamation Plant.

*Directors Bailey and Steiner arrived at 9:11 a.m. and 9:13 a.m., respectively.

I. CONSENT CALENDAR

1. Professional services contract for the IID and Water Authority Joint Petition to the State Water Resources Control Board.
Staff recommendation: Approve a professional services contract with Harvey Consulting Group, LLC, to provide technical support for the Imperial Irrigation District and San Diego County Water Authority Joint Petition to the State Water Resources Control Board for a not-to-exceed amount of \$200,000.

Director Lamb moved, Director Price seconded, and the motion passed unanimously to approve the staff recommendation.

II. ACTION/DISCUSSION

1. Status report on Carlsbad Desalination Project activities.

Mr. Weinberg provided a brief report on current activities and a schedule of projected meetings for the Committee and Board regarding the project.

Chair Dion called for public comment. Julia Chunn-Heer, Surfider San Diego, provided comments about the previously mentioned city of San Diego Recycled Water Study. Livia Borak, Coastal Environmental Rights Foundation, urged the Board to work with the city of San Diego on recycled water and its role in local supply diversification, and provided additional comment on the narrow exception authorized by Government Code §54956.8 for Closed Session discussion.

Staff responded to questions posed by Director Price.

*Directors Wilson, Sanford and Brady arrived at 9:18 a.m., 9:20 a.m. and 9:22 a.m., respectively.

III. INFORMATION

1. Presentation on Water supply and demand conditions.

Ms. Dobalian presented the final report for Water Year 2012, which ended September 30, 2012, with dry conditions overall.

The following item was received and filed:

2. Water Resources report.

IV. CLOSED SESSION

Chair Dion called the committee into Closed Session with General Counsel at 9:27 a.m. for the following:

CLOSED SESSION:

Conference with Real Property Negotiator

Government Code §54956.8

Property: Carlsbad Desalination Plant including land, estates or interests in land, easements, and fixtures of Poseidon Resources (Channelside) LP

Agency Negotiators: Sandra Kerl, Ken Weinberg, David Moore, Eric Petersen

Negotiating Parties: Poseidon Resources (Channelside) LP

Under Negotiation: Price and terms of payment, including timing of acquisition and price and payment options.

*Director Jungreis arrived at 9:30 a.m.

Following closed session, General Counsel confirmed instruction was given to the negotiators and no action was taken.

V. ADJOURNMENT

Chair Dion adjourned the meeting at 10:54 a.m.

LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE
CALL TO ORDER/ROLL CALL

Chair Saxod called the Legislation, Conservation and Outreach Committee to order at 10:58 a.m. Committee members present were Chair Saxod, Vice Chairs Hilliker and Jungreis, Directors Boyle, Croucher, Dailey, Mudd, Sanford, Topolovac, Tu, Weston and Wornham. Committee members absent were Directors Douglas and Miller. Other Board members present were Directors Arant, Barnum, Bond, Brady, Dion, Heidel, Hogan, Knutson, Lamb, Linden, Morrison, Pocklington, Price, Saunders, Smith, Steiner, Watton and Wilson. At that time, there was a quorum of the Board and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Public Outreach and Conservation Foster, Public Affairs Supervisor Nenow, Government Relations Manager Volberg and Senior Water Resources Specialist Stephenson.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to address the Committee.

CHAIR'S REPORT

Chair Saxod announced that item 1-C was continued to the June 28, 2012 Board meeting. She announced there was a media event at the San Vicente Dam Raise earlier in May that generated good news coverage. She announced that the city of San Diego was currently conducting tours of the Advanced Water Purification facility and Board members were invited for an upcoming tour. In addition, she announced that the Water Authority received a national award from the Public Relations Society of America for the 2010 Annual Report and congratulated the Public Outreach and Conservation staff for their efforts.

DIRECTORS' COMMENTS

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DISCUSSION

1. Legislative Issues.

1-A Report by Carpi and Clay.

Mr. Carpi and Mr. Clay were not present to report on these issues. Mr. Volberg reported in their place on the state budget and water appropriation bills.

1-B Adopt positions on various state bills.

1. Adopt a position of Support on AB 1771 (Valadao)
2. Adopt a position of Support on SD 1003 (Yee)
3. Adopt a position of Support and Co-sponsor on SB 1535 (Padilla)

Mr. Volberg reported on various state bills. Director Tu motioned to support the bills, seconded by Director Mudd. The motion passed.

1-C Adopt a position of Support, if amended on AB 2421 (B. Berryhill).

Staff recommendation: Adopt a position of support, if amended on AB 2421. (B. Berryhill)

This item was continued to the June 28, 2012 Board meeting.

2. Presentation on 2012 Public Opinion Poll content.

Mr. Foster presented on the public opinion poll content.

III. INFORMATION

1. Presentation on San Diego County Garden Friendly Plant Fair Partnership.

Senior Water Resources Specialist Stephenson presented a summary of how the partnership worked.

The committee received and filed the following items:

2. Government relations update.
3. Status report on legislation and legislative positions.

IV. ADJOURNMENT

There being no further business to come before the Legislation, Conservation and Outreach Committee, Chair Saxod adjourned the meeting at 11:28 a.m.

ENGINEERING AND OPERATIONS
CALL TO ORDER/ROLL CALL

Chair Knutson called the Engineering and Operations Committee meeting to order at 11:35 a.m. Committee members present were Chair Knutson, Vice Chairs Dailey and Pocklington, Directors Bailey, Barnum, Hogan, Lamb, Mudd, Morrison, Saxod, Smith, Williams, and Wilson. Committee members absent were Directors Lewinger and Miller. Also present were Directors Arant, Bond, Brady, Croucher, Dion, Heidel, Hilliker, Linden, Sanford, Saunders, Topolovac, Tu, Watton, Weston, and Wornham. At that time, there was a quorum of the full Board, and the meeting was conducted as a meeting of the Board, however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Engineering Rose, Director of Operations and Maintenance Eaton, Director of Water Resources Weinberg, Water Resources Manager Yamada, Engineering Manager Biances, Operations and Maintenance Manager Galleher, and Senior Water Resources Specialist Faber.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to speak.

CHAIR'S REPORT

Chair Knutson announced that the Water Authority received the Project of the Year award from the San Diego and Imperial Counties Chapter of the American Public Works Association (APWA) for the Mission Trails Pipeline Tunnel and Vent Demolition project.

He also announced that the Lake Hodges Sub-Committee held its final meeting on Monday, May 21, 2012 where staff briefed the subcommittee on ongoing work to line the surge shaft as well as the final testing schedule which should be completed by mid-July with the facility moving into commercial operation at that time. The Operations and Maintenance contractor SNC-Lavalin, locally known as ProTrans USA, was on site preparing for commercial operations. Staff planned an Engineering and Operations Committee workshop in late summer/early fall to look at the amendments to the SDG&E Power Purchase Agreement and ongoing litigation. He thanked Directors Bailey, Williams, Smith, and Wilson for their professional input to the committee.

Chair Knutson mentioned that an AWWA report regarding America's Water Infrastructure Challenges was distributed to all Board members before the meeting for their information.

DIRECTORS' COMMENTS

There were no Director's comments.

I. CONSENT CALENDAR

There were no items under Consent.

II. ACTION/DISCUSSION

1. Presentation and Overview of Asset Management – Part 2 Prestressed Concrete Cylinder Pipe Condition Assessment and Acoustic Fiber Optic Status. Prestressed Concrete Cylinder Pipe Relining Program/Relining Process.

Mr. Galleher and Mr. Faber provided presentations regarding the Condition Assessment and Acoustic Fiber Optic Status, including pipeline assessment, assessment technologies, risk matrix, and a Google Earth “flyover” of the Pipeline System with emphasis on the Eastlake area. Mr. Bienes provided a presentation and overview of the pipeline relining program and process. After the presentation there were questions and comments from the Committee and Board.

2. Professional services contract with Pure Technologies US Inc. for Electromagnetic Inspection of Prestressed Concrete Cylinder Pipe and Acoustic Fiber Optic Cable Monitoring System Installation and Monitoring Services for Pipelines 3 and 4 in Mission Trails Regional Park.
Staff recommendation: Authorize the General Manager to award a professional services contract to Pure Technologies US Inc., for a total not-to-exceed amount of \$681,010 to provide electromagnetic inspection of prestressed concrete cylinder pipe and installation of acoustic fiber optic cable monitoring system and monitoring services through June 30, 2015, for Pipelines 3 and 4 in Mission Trails Regional Park.

Mr. Galleher provided a brief description of the acoustic fiber optic system installation and monitoring which supports the relining of Pipelines 3 and 4 in the Mission Trails Regional Park area.

Director Pocklington moved, and Director Smith seconded, and the motion to approve the staff recommendation passed unanimously.

3. Extent of Pipeline 3 relining for Carlsbad Desalination Project due diligence.
Staff recommendation:
 1. Direct staff to assume the relining of 27,100 linear feet of Pipeline 3 for due diligence purposes related to costing and planning for the Carlsbad Desalination Project.
 2. Direct staff to return to the June 2012 Board meeting with a recommendation on project delivery method, taking into account the Water Authority’s price and risk transfer objectives related to the Carlsbad Desalination Project.

Mr. Yamada provided a presentation including proposed re-purposing and relining of Pipeline 3 Reach, a summary of Pipeline 3 condition assessment results, preliminary construction costs ranges, risk considerations, and next steps. The presentation was followed by questions and comments from the Committee and Board. One question regarding insurance coverage required the Risk Manager, Mr. Homer, to be brought into the meeting to address the question.

Director Pocklington moved, Director Wilson seconded, and the motion to approve the staff recommendation passed unanimously.

III. INFORMATION

1. Presentation – Right of Way Management.

This item was continued to the June 28, 2012 Board meeting.

2. Presentation – Update on San Vicente Dam Raise.

Mr. Belock provided a very brief update on the San Vicente Dam Raise but Mr. Rose's presentation was continued to the June 28, 2012 Board meeting.

III. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

There being no further business to come before the Engineering and Operations Committee, Chair Knutson adjourned the meeting at 12:11 p.m.

ADMINISTRATIVE AND FINANCE COMMITTEE

CALL TO ORDER / ROLL CALL

Vice Chair Croucher called the Administrative and Finance Committee meeting to order at 1:00 p.m. Committee members present were Vice Chairs Croucher and Bond*, Directors Arant, Bailey, Brady, Dion, Hilliker, Price, Saunders, Smith, Topolovac, and Wornham. Committee members absent were Chair Wight and Director Douglas. At that time, there was a quorum of the Board, however only committee members participated in the vote. Also present were Directors Barnum, Dailey, Heidel, Hogan, Knutson, Lamb, Linden, Mudd, Pocklington, Sanford, Saxod, Steiner, Tu, Watton, Weston, Williams, and Wilson.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Interim Director of Finance Statler, Director of Human Resources Leone, Director of Administrative Services Young, Controller Greek, Financial Planning Manager Shank, and Grant Administrator Burton.

*Director Bond arrived at 1:02 p.m.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to speak.

CHAIR'S REPORT

Vice Chair Croucher announced agenda items would be taken out of order and that the labor negotiations closed session would be discussed first.

DIRECTORS' COMMENTS

There were no Director's comments.

IV. CLOSED SESSION

1. CLOSED SESSION:

Conference with Labor Negotiator, Government Code §54957.6

Agency Designated Representatives: Frank Belock; Susan Leone; Richard Bolanos, Liebert Cassidy and Whitmore

Employee Organization: California Teamsters Public, Professional and Medical Employees Union Local 911

Mr. Hentschke took the Committee into Closed Session at 1:02 p.m. Mr. Hentschke brought the Committee out of Closed Session at 1:40 p.m. and announced no actions were taken.

I. CONSENT CALENDAR

1. Treasurer's Report.

Staff recommendation: Note and file the monthly Treasurer's report.

Director Bond moved, Director Smith seconded, and the motion passed unanimously.

II. ACTION/DISCUSSION

1. Resolution setting a Public Hearing date for the Water Authority's proposed calendar year 2013 rate and charge increases.

Staff recommendation: Adopt Resolution Number 2012-05 setting the time and place for a public hearing on June 28, 2012, at 9:00 a.m., or as soon thereafter as may practicably be heard, during the Administrative and Finance Committee meeting, to receive comments regarding proposed rates and charges to be effective January 1, 2013.

Ms. Stapleton explained the purpose of the item was two-fold: 1) to provide information and highlight the components of the proposed rates and charges, and 2) to approve the time and place for a public hearing on June 28, 2012. Ms. Stapleton emphasized that only after the public hearing had occurred, would the board consider approval of the proposed rates and charges.

Ms. Stapleton began the presentation with a history of water supply diversification efforts as well as rate mitigation efforts. Mr. Shank continued the presentation with details on the key calendar year 2013 rate and charge drivers. Ms. Stapleton provided information on water supplies provided through the Quantification Settlement Agreement (QSA) including information on the Fifth Amendment to the Water Authority/Imperial Irrigation District Conserved Water Transfer Agreement which provides future price stability that would benefit the Water Authority.

Mr. Shank reviewed specifics regarding rates, including the proposed calendar year 2013 “all-in” M&I water rate breakdown; treated water rate and charge increases; key rate and charge drivers; debt service schedule and coverage ratios; proposed rates and charges; the wholesale monthly cost to households; and a review of the rate setting process. Mr. Shank concluded the presentation with a review of the requested action: to adopt the resolution setting the time and place of the public hearing.

Directors made comments and asked questions. Ms. Stapleton, Mr. Cushman, and Mr. Shank provided answers. Several Directors, including Directors Bailey and Wilson, thanked Ms. Stapleton and Mr. Shank for the presentation and commended staff for their work. Director Topolovac requested a review of capacity fees. Ms. Stapleton replied the fees would be reviewed when the Board Fiscal Sustainability Workgroup reconvenes upon selection of a new Director of Finance, and as part of the cost-of-service study scheduled for next year.

Director Wornham moved, seconded by Director Price, and the motion passed unanimously.

III. INFORMATION

1. Presentation on Water Authority Grants and Grants Administration Program.

Chair Croucher announced that in the interest of time, the item would be continued to the June 28, 2012 Board meeting.

The following items were noted and filed:

2. Controller’s report on monthly financial statements.
3. Board calendar.

V. ADJOURNMENT

There being no further business to come before the Administrative and Finance Committee, Vice Chair Croucher adjourned the meeting at 2:40 p.m.

IMPORTED WATER COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Watton called the Imported Water Committee meeting to order at 2:45 p.m. Committee members present were Vice Chair Arant and Tu, Directors Barnum, Bond, Brady, Heidel, Knutson, Linden, Steiner, Weston, and Wilson. Directors Lewinger, Morrison, and Wight were absent. Also present were Directors Bailey, Dailey, Dion, Hilliker, Hogan, Jungreis, Lamb, Mudd, Pocklington, Price, Sanford, Saunders, Saxod, Smith, Topolovac, Williams, and Wornham. At that time, there was a quorum of the full Board, and the meeting was conducted as a meeting of the Board, however, only committee members participated in the vote.

Staff present included General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, MWD Program Chief Chen, and others.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no public comments.

DIRECTORS' COMMENTS

There were no comments by Directors.

Chair Watton asked General Counsel Hentschke to take the Committee into closed session. Mr. Hentschke took the Committee into closed session at 2:48 a.m.

IV. CLOSED SESSION

1. CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a) – SDCWA v Metropolitan Water District of Southern California; Case No. CPF-10-510830

2. CLOSED SESSIONs:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a)
Name of Case: QSA Judicial Council Coordination
Proceeding No. 4353

Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a)
Name of Case: State Water Resources Control Board (SWRCB) Imperial Irrigation District and San Diego County Water Authority Joint Petition for Modification of Revised Order WRO 2002-0013 (Permit 7643, Application 7482)

Mr. Hentschke brought the Committee out of Closed Session at 3:10 a.m. and stated that there was no reportable action.

CHAIR'S REPORT

Chair Watton reported that the Department of Water Resources increased the State Water Project 2012 Table A Allocation from 60 percent to 65 percent. He pointed out that the fluctuating State Water Project allocation illustrated the need for a Delta fix, and for MWD to store as much water, when available, for years the supplies were not as plenty. Also, Chair Watton stated that Little Hoover Commission voted unanimously to endorse Governor Jerry Brown's plan to reorganize state government. As part of this reorganization, the Delta Stewardship Council would transfer under the Natural Resources Agency.

In addition, Chair Watton reported that Water Authority staff attended a public scoping meeting on May 23, 2012 related to the joint IID/Water Authority petition to the State Water Resources Control Board.

I. CONSENT CALENDAR

There were no items on the consent calendar.

II. ACTION/DISCUSSION

1. Metropolitan Water District Issues and Activities update.
1-A Metropolitan Water District Delegates report.

The Delegates reported on the discussions and actions taken at the recent MWD Board meetings.

2. Colorado River Programs.
2-A Colorado River Board representative's report.

Director Knutson announced that there was no Colorado River Board meeting this month.

III. INFORMATION

The following information item was noted and filed:

1. Metropolitan Water District Program report.

V. ADJOURNMENT

There being no further business to come before the Imported Water Committee, Chair Watton adjourned the meeting at 3:23 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF MAY 24, 2012

1. **CALL TO ORDER** Chair Hogan called the Formal Board of Directors' meeting to order at 3:30 p.m.
2. **SALUTE TO THE FLAG** Director Smith led the salute to the flag.
3. **ROLL CALL, DETERMINATION OF QUORUM**
Secretary Smith called the roll. Directors present were Bailey, Barnum, Bond, Brady, Dailey, Dion, Heidel, Hilliker, Hogan, Jungreis, Knutson, Lamb, Linden, Mudd, Pocklington, Price, Sanford, Saunders, Saxod, Smith, Steiner, Topolovac, Tu, Watton, Weston, Wight, Wilson, and Wornham. Directors absent were Arant, Boyle, Croucher, Douglas, Lewinger, Miller, Morrison, Wight, and Representative Slater-Price.

3-A **Report on proxies received.** Director Watton was the proxy for Director Croucher.
4. **ADDITIONS TO AGENDA** There were no additions to the agenda.
5. **APPROVAL OF MINUTES** Director Knutson moved, Director Saxod seconded, and the motion carried at 82.86% of the vote to approve the minutes of the Special Water Planning meeting of April 19, 2012 and the Formal Board of Directors' meeting of April 26, 2012.
6. **OPPORTUNITY FOR MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD'S JURISDICTION**
There were no members of the public that wished to speak.
7. **PRESENTATIONS AND PUBLIC HEARINGS**
7-A Recognition of Mark Porter, Electronics Tech II, Employee of the 3rd Quarter. Mr. Porter was recognized at Employee of the 3rd Quarter.
8. **REPORTS BY CHAIRS**
8-A Chairs report: Chair Hogan reviewed the recent Water Talks Forum held in El Cajon. He informed the Board of the upcoming meeting with Camp Pendleton regarding the Desalination Project on May 31, 2012. He attended the recent Home Depot Water Conservation event in Encinitas which was a tremendous success.

8-B **Report by Committee Chairs.**
Water Planning Committee. Director Dion reviewed the meeting and the action taken.
Legislation, Conservation and Outreach Committee. Director Saxod reviewed the meeting and the actions taken.

Engineering and Operations Committee. Director Knutson reviewed the meeting and the actions taken.

Administrative and Finance Committee. Director Bond reviewed the meeting and the actions taken.

Imported Water Committee. Director Watton reviewed the meeting and stated no action was taken.

9. **CONSENT CALENDAR**

Director Tu moved, Director Heidel seconded, and the motion carried at 82.26% of the vote to approve the consent calendar. Directors voting no or abstaining are listed under the item number.

- 9- 1. Professional services contract for the IID and Water Authority Joint Petition to the State Water Resources Control Board.
The Board approved a professional services contract with Harvey Consulting Group, LLC to provide technical support for the Imperial Irrigation District and San Diego County Water Authority Joint Petition to the State Water Resources Control Board for a not-to-exceed amount of \$200,000.
- 9- 2. The Board Adopted positions on various state bills.
 1. Adopted a position of Support on AB 1771 (Valadao)
 2. Adopted a position of Support on SB 1003 (Yee)
 3. Adopted a position of Support and Co-sponsor on SB 1535 (Padilla)
- 9- 3. Professional services contract with Pure Technologies US Inc. for Electromagnetic Inspection of Prestressed Concrete Cylinder Pipe and Acoustic Fiber Optic Cable Monitoring System Installation and Monitoring Services for Pipelines 3 and 4 in Mission Trails Regional Park.
The Board authorized the General Manager to award a professional services contract to Pure Technologies US Inc., for a total not-to-exceed amount of \$681,010 to provide electromagnetic inspection of prestressed concrete cylinder pipe and installation of acoustic fiber optic cable monitoring system and monitoring services through June 30, 2015, for Pipelines 3 and 4 in Mission Trails Regional Park.
- 9- 4. Extent of Pipeline 3 relining for Carlsbad Desalination Project due diligence.
The Board directed staff to assume the relining of 27,100 linear feet of Pipeline 3 for due diligence purposes related to costing and planning for the Carlsbad Desalination Project. The Board directed staff to return to the June 2012 Board meeting with a recommendation on project delivery method, taking into account the Water Authority's price and risk transfer objectives related to the Carlsbad Desalination Project.

- 9- 5. Treasurer's report.
The Board noted and filed the monthly Treasurer's report.
- 9- 6. Resolution setting a Public Hearing date for the Water Authority's proposed calendar year 2013 rate and charge increases.
The Board adopted **Resolution Number 2012-05** setting the time and place for a public hearing on June 28, 2012, at 9:00 a.m., or as soon thereafter as may practicably be heard, during the Administrative and Finance Committee meeting, to receive comments regarding proposed rates and charges to be effective January 1, 2013.
- 9- 7. Adopt a position of Support, if amended on AB 2421 (B. Berryhill).
This item was continued to a future Legislation, Conservation and Outreach Committee meeting.
11. **CLOSED SESSION(S)**
- 11-A **CLOSED SESSION:**
Conference with Real Property Negotiator
Government Code §54956.8
Property: Carlsbad Desalination Plant including land, estates or interests in land, easements, and fixtures of Poseidon Resources (Channelside) LP
Agency Negotiators: Sandra Kerl, Ken Weinberg, David Moore, Eric Petersen
Negotiating Parties: Poseidon Resources (Channelside) LP
Under Negotiation: Price and terms of payment, including timing of acquisition and price and payment options.
- 11-B **CLOSED SESSION:**
Conference with Labor Negotiator, Government Code §54957.6
Agency Designated Representatives: Frank Belock; Susan Leone; Richard Bolanos, Liebert Cassidy Whitmore
Employee Organization: California Teamsters Public, Professional and Medical Employees Union Local 911
- 11-C **CLOSED SESSION:**
Conference with Legal Counsel - Existing Litigation
Government Code §54956.9(a) - SDCWA v Metropolitan Water District of Southern California;
Case No. CPF-10-510830

- 11-D CLOSED SESSIONS:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(a)
Name of Case: QSA Judicial Council Coordination Proceeding No. 4353
- Conference with Legal Counsel - Existing Litigation
Government Code §54956.9(a)
Name of Case: State Water Resources Control Board (SWRCB)Imperial Irrigation District and
San Diego County Water Authority
Joint Petition for Modification of Revised Order WRO 2002-0013
(Permit 7643, Application 7482)
- 11-E CLOSED SESSION:
Public Employee Performance Evaluation
Government Code §54957 - Title: General Counsel
- 11-F CLOSED SESSION:
Public Employee Performance Evaluation
Government Code §54957 - Title: General Manager

Chair Hogan announced the General Managers and General Counsels performance evaluation forms would be sent out at the end of the day. He stated the Performance Evaluation Work Group had met and made modifications to the form. The forms were due on June 6, 2012. At the June 28, 2012 Board meeting in Closed Session the Board would discuss the performance evaluation results. Mr. Hentschke took the Board into Closed Session at 3:40 p.m. on item 11-C. Mr. Hentschke brought the Board out of Closed Session at 3:45 p.m. and stated there was no reportable action.

12. **ACTION FOLLOWING CLOSED SESSION**

13. **SPECIAL REPORTS**

- 13-A GENERAL MANAGER’S REPORT – Ms. Stapleton reminded the Board of the upcoming Special Board meeting on June 14, 2012.
- 13-B GENERAL COUNSEL’S REPORT – No report was given.
- 13-C SANDAG REPORT – Director Saunders – Director Saunders reviewed a recent meeting and the changes to salary and benefits at SANDAG.
SANDAG BORDERS/REGIONAL PLANNING COMMITTEE – Director Saxod announced there was nothing to report.
- 13-D AB 1234 COMPLIANCE REPORTS – No reports were given.

14. **OTHER COMMUNICATIONS** - None.

15. **ADJOURNMENT**

There being no further business to come before the Board, Chair Hogan adjourned the meeting at 3:48 p.m.

Michael T. Hogan, Chair

Richard K. Smith, Secretary

Doria F. Lore, Clerk of the Board