

**SWEETWATER AUTHORITY GOVERNING BOARD
MINUTES OF THE REGULAR MEETING**

December 10, 2008

The Governing Board of Sweetwater Authority held a regular meeting on Wednesday, December 10, 2008, at the Sweetwater Authority Administrative Office, 505 Garrett Avenue, Chula Vista, California. Chair Beauchamp called the meeting to order at 6:00 p.m.

• **ROLL CALL**

Directors Present: Beauchamp, Morrison, Pocklington, Preciado, Rubalcaba, Thomas, Welsh

Directors Absent: None

Others Present: General Manager Rogers, Operations Manager Smyth, Legal Counsel Cowett, Treasurer Farrow, and Board Secretary Schoonderwoerd. Staff members: Jack Adam, Rick Alexander, Sue Mosburg, Bill Olson, Steve Parker, George Silva, Don Thomson and Dina Yorba. Also present: Lin Wurbs, Bob Yamada and approximately 20 members of the public.

• **PLEDGE OF ALLEGIANCE TO THE FLAG**

Chair Beauchamp conducted the pledge of allegiance to the flag.

• **OPPORTUNITY FOR PUBLIC COMMENT (Government Code Section 54954.3)**

There were no members of the public requesting to comment.

• **CHAIR'S PRESENTATION**

Chair Beauchamp introduced newly elected directors Jose Preciado, South Bay Irrigation District Division 3, and Maria Rubalcaba, South Bay Irrigation District Division 2. The secretary administered the oath of office to the new directors, following which they took their seats on the dais. Director Rubalcaba introduced herself stating that she was a San Diego native and has lived in Chula Vista for over 30 years. She is employed with the Chula Vista Elementary School District and previously worked in the banking industry. She looks forward to serving her community. Director Preciado stated that he is pleased to be a part the Board and thanked his friends, family, and supporters. Elections are an important part of the fabric of this country, and we sometimes take for granted that having free elections and the opportunity to elect and bring new representation is not bad. In a short conversation he had with Director Pocklington, he found that they share the value of that very much. He stated that he knows this Board has a history of family and camaraderie and he hopes to develop that with them as well. He wished his opponent, James Alkire, well and noted that Mr. Alkire served the Board well. He hopes to continue the legacy of having good, representative, and responsive government. He affirmed that he ran for the purposes of insuring that this valuable resource that we administer and are caretakers of is available for a very long time, and there was no other motivation. He assured the Board that he has been an advocate in this community for the past ten years and has always

required and demanded from every elected official to be transparent, responsive, and genuine, and he will try to hold himself to that same behavior and model it on this Board. He introduced his father, his two brothers and their families, as well as other members of the South Bay Forum who were in attendance today to show their support.

ACTION CALENDAR ITEMS

1. ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED IN THE AGENDA

There were none.

2. ADOPTION OF RESOLUTION 08-18 RECOGNIZING STEVE PARKER FOR HIS SERVICE AS RESERVOIR OPERATIONS SPECIALIST

Director Pocklington stated that he remembered when Mr. Parker first came to Sweetwater Authority, and he knew just by meeting him that he would do a great job because he loved his work. He will be missed and he wished him a wonderful retirement. General Manager Rogers added that Mr. Parker never let a moment go by without being productive.

Upon a motion made by Director Morrison, seconded by Director Pocklington, the following resolution:

RESOLUTION 08-18

RESOLUTION OF THE GOVERNING BOARD OF SWEETWATER AUTHORITY RECOGNIZING STEVE PARKER FOR HIS SERVICE AS RESERVOIR OPERATIONS SPECIALIST

was passed and adopted by the following vote to wit:

Ayes:	Directors Beauchamp, Morrison, Pocklington, Preciado Rubalcaba, Thomas, and Welsh
Noes:	None
Absent:	None
Abstain:	None

Chair Beauchamp presented Mr. Parker with the resolution, a framed photograph of the reservoir, a miniature desktop bronzed fire hydrant, a \$100 gift card, and a lifetime access card for the Authority's fishing program as tokens of appreciation for his service to the Authority. The Board thanked Steve and wished him well.

3. APPROVAL OF MINUTES

Director Pocklington made a motion, seconded by Director Welsh, that the Governing Board approve the minutes of the November 26, 2008 meeting. **The motion carried.**

4. APPROVAL OF DEMANDS AND WARRANTS

Director Welsh made a motion, seconded by Director Thomas, that the Governing Board approve Warrants 116625 through 116782 including all voided checks. **The motion carried.**

5. FINANCE AND PERSONNEL COMMITTEE (Meeting of December 1, 2008)

A. **Director Welsh made a motion, seconded by Director Thomas, that the Governing Board approve the 2009 membership renewal in the American Membrane Technology Association and the payment of dues in the amount of \$675.** Director Pocklington explained that it is very important to keep informed of membrane technology, as membranes are used at the Reynolds Desalination Facility where four million gallons of water is produced per day with the opportunity to expand production to eight million gallons. **The motion carried.**

B. **Director Welsh made a motion, seconded by Director Thomas, that the Governing Board approve the 2009 membership renewal in the California Special Districts Association and the payment of dues in the amount of \$776.** **The motion carried.**

C. Implementation and adoption of Drought Resolution 08-19

Legal Counsel Cowett stated that this item is a public hearing pursuant to Water Code Section 375. It is a most unusual section in that the notice to the public goes out after the drought resolution is adopted. He added that following the adoption of a drought resolution, another public hearing would be set pursuant to Proposition 218 requirements for establishing the drought rates. Chair Beauchamp stated this public hearing is to consider input on the adoption of Resolution 08-19, including the supplement, to approve the public notice of drought Resolution 08-19 including the drought rates, and to schedule a Proposition 218 public hearing for the drought rates proposed for February 11, 2009 at 6:00 p.m. Mr. Cowett reiterated that this hearing is to adopt a drought resolution to set the various drought levels. Another item to be contemplated is the establishment of drought rates. In order to do that, a Proposition 218 hearing is required in February to adopt those rates. Chair Beauchamp then requested a report from staff.

General Manager Rogers prefaced the staff report by stating that, during the drought in the early 1990s, there were “water police” and people were lined up outside the offices of water agencies to get allocation changes. This time, Sweetwater Authority’s Board was very clear from the beginning that its philosophy was to take the “adult” approach with its customers and allow them to determine how they make necessary cutbacks rather than dictate how to. These drought rates are based on that approach. The proposed resolution is not in line with most of the other water agencies in San Diego County. The Authority has invested millions of dollars in acquiring and developing local supplies and is of the belief that it should not be subject to the same cutbacks. However, the proposed drought resolution contains most of the components of the resolution suggested by the San Diego County Water Authority (CWA), as well as the adult approach. It is hoped that the lowest per capita using water agency in San Diego County can get through this by treating its customers like adults without prescriptive measures. Mr. Rogers then introduced Karen Keese from PBS&J, who would discuss how she developed the rates that will be discussed on February 11th and why Sweetwater Authority is on the cutting edge in comparison to most of the other water agencies in its approach to this drought resolution. He also introduced Bob Yamada from CWA, who would address the statewide outlook. Director Welsh expressed a concern for those who have taken conservation seriously from day one, to then be told they need to take another 20 percent cut. She

appreciated that Sweetwater Authority is taking the adult approach and hopes that it can be maintained, because she has seen firsthand the effects of policing water use in Los Angeles County.

Operations Manager Smyth opened the presentation by noting that the proposed drought resolution is in response to Governor Schwarzenegger's declaration of a statewide drought and the judicial restriction of water transfers out of the Delta down to the south because of the decline of the Delta Smelt population. MWD declared a Water Supply Alert Condition 2 in June and cut back water deliveries by 30 percent. Fortunately, the CWA Imported Storage Program is beneficial to the Authority and keeps us with two months of Sweetwater Reservoir water supplies, excluding one month of emergency storage. It is expected that a Drought Level 2 will be declared in the first quarter of 2009. Staff considered how the Authority should align itself with the CWA and MWD drought response models. Most of the other agencies are going to follow the CWA model. Past conservation efforts showed that Sweetwater Authority, as a whole, has the lowest per capita water use in San Diego County and the third lowest in the state (approximately 119 gallons per person per day). Previous conservation in the 1990s proved that the adult versus the water police approach is most effective. Prescriptive use points out what is and is not allowed, penalties are given for not adhering to the rules, then ultimately there is a rate and allocation process. Mr. Smyth reviewed the four drought levels and their associated water use reduction goals: Level 1, Drought Watch – 10 percent; Level 2, Drought Alert – 20 percent; Level 3, Drought Critical – 40 percent; and Level 4, Drought Emergency – beyond 40 percent. Director Preciado inquired why some agencies passed their ordinances as early as this past summer. Director Pocklington replied that CWA gave the directive to have the ordinances in place by January 1, 2009. The Authority is among four agencies that have not yet adopted their ordinances. Mr. Rogers added that staff took the time to diligently investigate the various approaches that could be taken and their consequences. With the proposed resolution, the Authority is now on the leading edge in terms of the drought resolution, fines, and rates. Many agencies still do not have rates or set allocations for their customers. Even though the Authority is not early in adopting its drought resolution, it is ahead of the curve in all of the actions that will follow it.

Mr. Smyth explained that the general framework of the resolution includes water use allocations, which are broken down into residential (by account), nonresidential (by billing cycle), and large users. Legal Counsel Cowett suggested partnering with the large users such as the cities, school districts, CalTrans, and the County to discuss working with them to meet these goals. The conservation goals would be enforced through penalties; accompanied by drought rates; balanced by health and safety needs, past water efficient activities, and exemption and appeal processes; supported through monitoring partnerships with the Cities of National City and Chula Vista and the County of San Diego; and communicated through customer assistance and education. The allocation, or target, spans from July of 2004 through June 2007 (a three-year average). Following the CWA model, this allocation would be provided per billing period as well as annual use for all customers. He noted again that the Authority is the only agency at this time considering the implementation of allocations with penalties for all customers, and with drought rates (once Drought Level 2 is called). It will be tough for the Authority's

customers as a whole to reduce consumption. Director Morrison inquired about how large projects currently underway with no history will be treated. Mr. Smyth responded that for special circumstances such as these they will have to use similar averages. He emphasized that Sweetwater Authority's service area is basically built out with not much raw land available, and that mostly redevelopment or "smart growth" will be seen. As outlined in the resolution, Mr. Smyth then explained the penalties for infractions beginning in Level 2, as well as the exemptions for residential users, medical/dental facilities, and conservation benefit users. He noted that staff knows the locations of dialysis users within the Authority's service area, and exemptions for other medical circumstances will be addressed during the process. Mr. Smyth reiterated that flow restrictors will not be utilized. Staff tested them in the homes of some staff members and found them to be counterproductive in many pressure circumstances. Mr. Smyth explained the enforcement of violations during mandatory reduction pursuant to the California Water Code, and added that the alternative to allocation could still be prescriptive uses along with the water police approach if the Board so chooses.

Ms. Karen Keese of PBS&J was introduced to give an overview of the drought rates. Ms. Keese reiterated that Sweetwater Authority is on the cutting edge with its drought resolution because most agencies in the county have yet to decide what they are going to do with their rates. She gave a brief overview of the methods being used by some of the other water agencies in the county. In response to an inquiry from Director Preciado as to why there were differences in the ordinances among all of the agencies, Mr. Keese said that each agency seems to be doing what works best for its own agency, taking into consideration their portfolio of water resources, past conservation performance, and the capabilities of their computer systems. With its allocation method, Sweetwater Authority takes into account the customers already conserving. The Authority also has a very superior billing software system that is easily able to extract the necessary statistics and set allocations for each customer. Ms. Keese stated that the Authority's goals in determining its drought rates included: to have no increase in water bills for customers who conserve the required amount; to impact the commodity rates only, with no change in readiness-to-serve costs; to remain revenue neutral and maintain projected revenue per the 2009 fiscal year budget; and to place excess revenues and fines collected into a conservation reserve to fund future conservation measures. The primary goal was to make the program a reward program for those conserving and charge those who were being wasteful. The design criteria made certain assumptions about projected water reductions for various customer classes. With a drought rate program, as the rates increase, a certain amount of conservation is expected due to the higher rates, and this was conservatively calculated into the rates. **Note: Director Morrison left the room at 7:22 p.m.** Each of the stages and established rates for Drought Levels 2, 3, and 4 were applied to existing inclining residential and all flat rates and will be overlaid on top of the proposed rates to take effect in January 2009. As outlined in the resolution, Ms. Keese reviewed the percentages of reduced water use in Levels 2, 3, and 4 that will be necessary to acquire the reductions as mandated by CWA and how that would affect customers in the various consumption categories. She noted that in Level 2 and above, agricultural use water rates are suspended. In reference to a statement that Director Thomas noted was made at the recent ACWA Conference by Rick Soehren, Chief of the Office of Water Use Efficiency, that those who are already conserving and are at the 118 or 119 gallons per day level would not be required to use 20 percent less by 2020, General Manager

Rogers stated that this was not true. CWA will still ask us to reduce consumption by 20 percent if we go to Level 2, or our rates will rise. He reiterated that this is a major concern for us because our per capita use is already very low. Director Thomas requested that the minutes reflect Mr. Soehren's statement. Ms. Keese noted the revised Proposition 218 notice that will be mailed to customers.

Director of Finance Farrow then provided an interactive model illustrating the drought rate process. Every account has been given a three-year review for annual averages that will be printed on the bill so customers will always be aware of their target goals. New residential users with no history will be given a starting point of the average 28 HCF. If Level 4 is ever reached, the situation will be harsh because we will be critically short of water. Ms. Farrow demonstrated several interactive scenarios at each level for the Board. **Note: Director Morrison reentered the room at 7:26 p.m.** In response to an inquiry from Director Pocklington about whether necessary revenue will be able to be maintained, Ms. Farrow stated that, yes, it would because the drought rates are designed to be revenue neutral. Even though less water is being used, significant costs will also be reduced, and the Authority will be buying less water. Water purchase cost is a significant part of the operating budget. The goal is not to make a profit through hardship.

Operations Manager Smyth explained the purpose and process for the Authority's flushing program, and that programs such as these may need to be suspended during drought conditions at the Level 3 and 4 stages. Developers in the future may need to offer incentives for the Authority to provide service to them. Mr. Yamada explained that this is known as the "demand offset" approach. In order to obtain a meter for new development during a Drought Level 2 or 3, the developer would need to offset that demand. He explained some scenarios where this approach would apply, and how agencies could cooperate with each other in these circumstances as well to offset demand from one agency to another. This approach does not have an impact on a water agency's allocation of water; rather, it is an issue to facilitate growth and new construction by offsetting the demand. Director Thomas added that how much greenhouse gas emissions would be involved should be considered as well as the water savings.

Mr. Smyth continued and noted that a modification is suggested to the proposed resolution to suspend the Adjustment to Customers' Water Bill Policy during Drought Levels 2, 3, and 4. Also during Drought Levels 2, 3, and 4, staff is proposing to suspend the Authority's flushing program, except for health or critical operational needs; temporarily discontinue the use of the National City public faucet (following notification through the City Manager's office); and allow no new services unless a developer shows a net zero usage within the Authority's service area. At this time, the plan is to utilize existing staff to implement the drought response program and review customer requests for variances. Appeals will be considered by the Governing Board via the Finance and Personnel Committee. The need for additional staffing will be dependent upon the number of appeals, customer requests, and conservation assistance available from CWA programs, and this will be brought back to the Board for further consideration. Director Preciado asked if an enhanced community outreach and media campaign is being considered during Levels 2, 3, and 4. Mr. Rogers reiterated that, if target

reductions are not reached using the adult approach, in Levels 2, 3, and 4 strict penalties will have to be implemented, and the public outreach would have to be enhanced dramatically. Director Thomas emphasized the need for a back-up plan in the event of a catastrophic event. Mr. Rogers responded that the fact that Sweetwater Authority and no other agency has two reservoirs, a desalination plant, fresh water wells, and in two more years will have 51 percent of its water from local sources, is to its benefit if this occurs. Mr. Yamada stated that MWD will consider where things stand at its April meeting and make a determination as to whether or not a shortage needs to be declared with a necessary reduction in water allocation to its member agencies. That will trigger a determination from CWA as to whether or not there is a need to reallocate its supplies. MWD supplies are not the only component of CWA's supply portfolio. In addition to local supplies such as are present here at Sweetwater Authority, it has supplies from the Imperial Irrigation District, the canal lining supplies, etc. In the event that CWA would need to allocate supplies, there would be a time period between April and July when the region would be getting prepared and bracing for impact. Mr. Yamada added that CWA appreciates that Sweetwater Authority is allowing it to store imported water in Sweetwater Reservoir right now.

Mr. Smyth concluded staff's presentation and requested that the Board adopt Resolution 08-19, including the modifications suggested in the previous paragraph during Drought Levels 2, 3, and 4; set the public hearing for February 11, 2009 at 6:00 p.m. to satisfy Proposition 218 requirements to consider the drought rates; and approve the public notice for Resolution 08-19 and the February 11th public hearing. Upon approval, the General Manager will declare a Drought Level 1 effective December 11, 2008, followed by a press release.

Chair Beauchamp opened the public hearing. With no comments from the public, he closed the public hearing at 8:01 p.m. Director Preciado acknowledged Ms. Farrow's interactive model and would like to see it incorporated in the outreach to the community.

Director Morrison made a motion, seconded by Director Pocklington, that the Governing Board adopt Drought Resolution 08-19 including the Supplement; approve the public notice of Drought Resolution 08-19 including the drought rates; and schedule the Proposition 218 public hearing for the drought rates on February 11, 2009 at 6:00 p.m. As noted in staff's presentation, modifications will be made to Resolution 08-19 reflecting the suspension of the Adjustment to Customer's Water Bill policy during Drought Levels 2, 3, and 4. The motion carried.

Upon said motion, the following resolution:

RESOLUTION 08-19

**RESOLUTION OF THE GOVERNING BOARD OF SWEETWATER AUTHORITY
RESCINDING ALL PREVIOUS WATER CONSERVATION MEASURES INCLUDING
RESOLUTIONS 93-2, 92-7, 90-9 AND ADOPTING A DROUGHT RESPONSE PLAN
INCLUDING AN ALLOCATION-BASED CONSERVATION WATER PRICING STRUCTURE
AND THE CRITERIA REQUIRED TO ADOPT THIS STRUCTURE**

was passed and adopted by the following vote to wit:

Ayes:	Directors Beauchamp, Morrison, Pocklington, Preciado Rubalcaba, Thomas, and Welsh
Noes:	None
Absent:	None
Abstain:	None

General Manager Rogers then declared a Drought Level 1 for Sweetwater Authority effective December 11, 2008.

6. OPERATIONS COMMITTEE (Meeting of December 3, 2008)

A. **Chair Beauchamp made a motion, seconded by Director Thomas, that the Governing Board approve funding in an amount not to exceed \$195,000 from the Power Rate Stabilization Fund for the purchase of three portable diesel standby generators. The motion carried.**

B. **Chair Beauchamp made a motion, seconded by Director Welsh, that the Governing Board approve funding in the amount of \$300,000 from the Capital Contingency Fund to complete the water facility relocations associated with the Palomar Gateway Street Improvement Project, with the understanding that the City of Chula Vista will reimburse the Authority \$72,650. The motion carried.**

7. REPORT OF SWEETWATER AUTHORITY DIRECTOR TO THE WATER CONSERVATION GARDEN AUTHORITY

Chair Beauchamp reported that attendance at the Garden is up 89 percent compared to this time last year. The Garden is on budget and all funds are secure through CWA and LAIF. An event is being held on Friday night, December 12th, to celebrate the new lighting for the facility that was provided by SDGE.

8. NEW BUSINESS

Director Welsh made a motion, seconded by Director Thomas, that the Governing Board elect Director Pocklington as Chair and Director Morrison as Vice Chair of the Board for 2009 and 2010. The motion carried. Director Preciado questioned that last Friday he was at a meeting where Director Morrison had just left and there appears to be five letters that have been written by members of this Board, and he has been trying to find the minutes where the Board took action to write the letters and deliver them to the City of National City. It has a bearing because they are trying to remove Chair Beauchamp. So he is trying to figure out in the governance of this where the letters are, when the Board enacted them, noting that they were written apparently from November 7th through the 9th. He is trying to understand what meeting took place where the five letters were generated and how you have them and nobody else does. He has been trying to get them and trying to understand why the Board took action; he

cannot find it anywhere in the minutes or any agenda item. He asked if the Board was aware of how this could happen. Chair Beauchamp stated that it is not an agenda item that can be discussed. Director Thomas stated that at this time the Board is electing the new Chair and Vice Chair for the next two-year term. Director Preciado asked whether it had any bearing on the governance issue, and Director Thomas responded that, no, this agenda item is the natural time for the closing of the present Chair's two-year term and the elections for the next two-year term, and there is nothing abnormal about this election. Director Preciado said he was trying to understand or assimilate the five letters and questioning how the Chair is able to vote since five of the Board are trying to remove him, and the mayor is trying to remove him. He does not know where those letters are or what action the Board took and again asked if that was agenda item or in the minutes. He asked if the Board coordinated to write the letters together, because they seem to be about the same topic. Director Welsh responded that she heard his question but that Item 8 is not about this issue, but is strictly to elect a Chair and Vice Chair. Director Preciado apologized for interrupting the meeting because he was trying to understand as we elect officers and work collegiately if the two issues were working together or working against or why there is even this kind of interaction. Director Thomas said that was a different matter. Director Preciado asked if any of the Board had the letters, he would like to have copies for his own benefit.

9. APPROVAL OF DIRECTORS' ATTENDANCE AT MEETINGS AND FUTURE AGENDA ITEMS

A. National Water Resources Association Leadership Forum/Legislative Strategy Meeting on January 6-7, 2009, Embassy Suites Hotel, Phoenix, AZ. Directors wishing to attend this pre-approved event will contact the secretary. No action was required by the Governing Board.

B. California Special Districts Association Workshop – How to Be an Effective Board Member (January 15-16, 2009; February 26-27, 2009; or March 5-6, 2009). Directors Preciado and Rubalcaba expressed interest in attending this pre-approved event and will contact the secretary regarding their choice of date and location. Chair Beauchamp noted for the new Directors that there is a specific list of pre-approved meetings. Other meetings must be agenda item for approval before attendance. No action was required by the Governing Board.

10. REPORTS BY DIRECTORS ON EVENTS ATTENDED

Director Beauchamp attended the South County Economic Development Council Meeting on December 2nd, which was held at the San Ysidro Health Center. The presentation was on the high-speed rail which is moving forward now that it has been approved by Proposition 1A. There is a push to have it come down to the border to San Ysidro or Otay Mesa where the future air terminal facility will hopefully be built.

Director Pocklington reported on the ACWA Fall Conference on December 2-5, where he focused his concentration on rate studies and alternative energy. He attended some very good committee meetings on those subjects. Director Welsh reported that she learned more information on the quagga mussel and what other agencies are doing in response to this problem. She also attended the AB 1234 ethics training and forwarded her completion certificate to the secretary for the file. Director Thomas attended meetings as a member of the

Water Quality Committee and shared the Committee's agenda with the Board. She pointed out the standing committees and the modifications that were approved. She also received the Governor's 20 percent by 2020 outline on water conservation goals and provided the PowerPoint presentation given at the Energy Committee meeting for the Board's information. Director Thomas added that she received great praise from CSDA representatives on the Authority's water quality calendar and report and education program. It was suggested that the Authority apply for the innovation award and she asked staff to follow up on this. She congratulated the Communications Section staff. She passed on some outreach campaign tapes in Spanish and English from the California Water Awareness Campaign for the Communications Section's use.

Director Thomas reported that she was unable to attend the Bonita Business & Professional Association Meeting on December 9th, but that the General Manager and Operations Manager were able to attend to represent the Authority.

Chair Beauchamp introduced Chula Vista Councilmember Pamela Benssousan and welcomed her as a new decision maker in the region.

Director Preciado introduced and congratulated Bertha Lopez, new Board Member of the Sweetwater Union High School District, and acknowledged both her and Councilmember Benssousan for their support in our recent work.

11. REPORT OF TREASURER

Director Preciado made a motion, seconded by Director Morrison, that the Governing Board accept the investment portfolio and treasurer's report for the month of November 2008 as presented. Director of Finance Farrow informed the new Board members that these reports are presented to the Board every month. The investment portfolio clearly defines where the Authority's investments are and follows the investment policy which is reviewed annually by the Board. **The motion carried.**

12. MANAGEMENT REPORT

A. Report of Operations Manager Smyth: Mr. Smyth thanked the Board for its patience with the detailed presentation on the drought resolution.

B. Report of General Manager Rogers: Mr. Rogers reported that, at the recent ACWA Conference, 24 Authority employees received cash awards ranging from \$50 to \$100 for safety suggestions they submitted to ACWA/JPIA. Three of those employees received two checks. This is reflective of the innovative approach to safety for which Sweetwater Authority has established a reputation.

13. DIRECTORS' COMMENTS

Director Welsh commented that even though it was difficult for her to accept the loss of two loyal board members, she extended a sincere welcome to the two new board members.

Director Preciado commented that, in the past few weeks he has had the opportunity for introductions and an orientation to Sweetwater Authority, and he has been confronted by what he believes to be some of the most professional and committed staff. He knows that his learning curve will be short, and he is committed to getting up to speed. He congratulated Director Welsh on her reelection. He is appreciative of how staff has accepted and welcomed him and he knows that change is hard. He asks questions in the spirit of his own understanding, and he thanked everyone for keeping their lines of communication open and their willingness to interact. He thanked the General Manager and Operations Manager for their orientation and the care with which he has been welcomed. He is not an expert on water, but before his term is up he will be very aware of everything Sweetwater Authority is engaged in, will value it, and will be supportive of all the collective works.

Director Pocklington welcomed Directors Preciado and Rubalcaba and added that he looked forward to working with them. He asked them not to hesitate if they needed to ask questions. He pointed out that they have arrived at a very difficult time with the state facing the water crisis and a budget deficit. But, he added that this experience can also be very rewarding. There are many outstanding professionals here at Sweetwater Authority.

Director Thomas also welcomed the new Board members. She congratulated Chair Beauchamp on his election to Treasurer of the City of National City. She requested that legal counsel and the City ascertain whether it is possible to hold both this position and that of Sweetwater Authority Board member at the same time, and to provide the Board with clarification. She understands that certain positions are incompatible.

Director Rubalcaba thanked everyone for welcoming her to the Board.

Director Morrison added his welcome to Directors Preciado and Rubalcaba.

14. CLOSED SESSION

There was none.

15. ADJOURNMENT

With no further business before the Board, Chair Beauchamp adjourned the meeting at 8:33 p.m.

W.D. Pocklington, Interim Chair

Attest:

Rita Schoonderwoerd, Board Secretary