

April 14, 2009
Fremont, California

The regular monthly meeting of the Board of Directors of ALAMEDA COUNTY WATER DISTRICT was held on April 14, 2009 at the hour of 6:00 P.M. in the Directors' Room of the District Office Building, 43885 South Grimmer Boulevard, Fremont, California.

Present: Directors Koller, Huang, Weed and Gunther

Staff members present: Acting General Manager Walt Wadlow, Engineering Manager Bob Shaver, Finance and Administration Manager Will Ligh, Water Resources Planning Manager Eric Cartwright, Human Resources Manager Altarine Vernon, Attorney Ray McDevitt and District Secretary Gina Markou.

President James Gunther presided.

Director Huang led in the Salute to the Flag.

3 - PUBLIC COMMENTS - None

4 – CONSENT CALENDAR

A motion was made by Director Huang to add items 5.2 through 5.7 to the Consent Calendar, seconded by Director Koller.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

A motion was made by Director Huang, seconded by Director Koller to approve the following items on the Consent Calendar as amended.

- 4.1 Approval of Minutes – Regular Meeting of March 12, 2009
- 4.2 Ratification of Payment of Audited Demands dated March 6, March 13, March 20, March 27, and April 3, 2009
- 4.3 Authorization of Purchase Order Amendment for Temporary Drafting Services
- 4.4 Authorization of Purchase Order Amendment for Temporary Instrument Technician Services
- 4.5 Resolution Approving and Authorizing Execution of Contract with Robson Homes, LLC, Extension of Water Main, Tract 7862 (ACWD #2006-0047)

RESOLUTION NO. 09-016

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
APPROVING AND AUTHORIZING EXECUTION OF CONTRACT
BETWEEN ALAMEDA COUNTY WATER DISTRICT AND ROBSON
HOMES, LLC, FOR EXTENSION OF WATER MAIN, TRACT 7862, REF.
ACWD 2006-0047

- 4.6 Resolution Amending the Alameda County Water District's 401(a) Plan

RESOLUTION NO. 09-017

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
AMENDING THE WATER DISTRICT'S 401(A) PLAN

- 5.2 Authorization of Purchase Order for District Vehicles
- 5.3 Authorization of Purchase Order for Backfill Materials
- 5.4 Authorization of Purchase Order for Disposal of Materials to Landfill
- 5.5 Authorization of Change Order No. 1 for the Vineyard Heights Tank Seismic Upgrade
- 5.6 Authorization of Change Order No. 1 for the Bellflower and Farwell ARP Well Sites Upgrade Project
- 5.7 Resolution finding the Geotechnical Investigation Project at Rubber Dam No. 1 Foundation Categorically Exempt from CEQA and Approving the Project

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5 – ACTION CALENDAR (*Consent Calendar Items are indicated with an asterisk*)

5.1 REVIEW OF BOARD MEMBER VACANCY SELECTION PROCESS

Mr. Wadlow reported that at the April 7, 2009 Board meeting the Board approved a recommended process for selecting and appointing a new Board member to fill the unexpired term of Director Art Lampert.

Mr. Wadlow reported that four timely completed Statements of Qualifications had been received and only one interview panel would be necessary. A recommendation was made to the Board to

set a Special Meeting for April 30, 2009, at 5:30 P.M. to interview the candidates, and direct staff to notify the candidates of the Special Meeting.

A motion was made by Director Koller, seconded by Director Huang, to provide direction as appropriate, including the setting of a special meeting of April 30, 2009, at 5:30 P.M., for the interview and consideration of candidates for the vacant Board member position.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5.2* AUTHORIZATION OF PURCHASE ORDER FOR DISTRICT VEHICLES

The Board of Directors approved funding in the current budget for the purchase of District vehicles.

A Request for Quotation to purchase three trucks and one sedan was sent to twelve Ford dealers. Five responsive bids were received. The low bidder on the three trucks was San Francisco Ford Lincoln Mercury in an amount of \$121,793.87. Two of the trucks are service trucks and are replacements of existing vehicles. The third truck is a pickup truck with a valve turner to support the improved valve asset management program previously brought before the Board. This vehicle is a new addition to the fleet. The low bidder on the sedan was Hansel Ford of Santa Rosa in an amount of \$27,877.76. The replacement vehicle is a Ford Fusion Hybrid. There is sufficient funding in the current budget to purchase these vehicles.

A motion was made by Director Huang, seconded by Director Koller, to 1) authorize a purchase order to San Francisco Ford Lincoln Mercury in an amount of \$121,793.87 for the purchase of three trucks, and 2) authorize a purchase order to Hansel Ford of Santa Rosa in an amount of \$27,877.76 for the purchase of a Ford Fusion Hybrid.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5.3* AUTHORIZATION OF PURCHASE ORDER FOR BACKFILL MATERIALS

ACWD crews perform a variety of construction and maintenance work throughout the District's service area. Repairs and installations can occur during normal working hours, off-hours weekdays, weekends, and holidays. Excavations for leaks, replacements, and new installations are required for the majority of this work. Subsequently, a variety of materials is needed to backfill these excavations. Commonly used materials include sand, course aggregate, base rock, concrete, cutback, and control density fill.

There are a number of vendors spread throughout the general area who provide some or all of the required backfill material. Because work is performed throughout the service area, it is more efficient to purchase backfill materials on the open market at the nearest supply point. Typically, ACWD has purchased materials from about a dozen local vendors. The amounts purchased from each vendor are dependent upon the location of work performed, the availability of the particular material needed, suppliers' operating hours, and the required pickup or delivery schedule. The two main vendors used and the estimated FY 09/10 purchases from each are: Hanson Aggregates Mid-Pacific, Inc. (formerly Mission Valley Rock), estimated at \$180,000 and Milpitas Materials Co., estimated at \$75,000. Other vendors will also be used on an occasional basis for purchases averaging a few thousand dollars per year. Maintaining the ability to select suppliers who can fill immediate needs allows for more efficient crew use by minimizing delays waiting for backfill material. Sufficient funds have been budgeted for these expenditures.

A motion was made by Director Huang, seconded by Director Koller, to authorize annual purchase orders to Hanson Aggregates Mid-Pacific, Inc. and Milpitas Materials Co. for a variety of backfill materials at prices quoted for FY 09/10.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5.4* AUTHORIZATION OF PURCHASE ORDER FOR DISPOSAL OF MATERIALS TO LANDFILL

ACWD crews perform a variety of construction and maintenance work throughout the District's service area. Landscaping, site demolition, system repairs and installations can occur during normal working hours, off-hours weekdays, weekends, and holidays. Excavations for leaks, replacements, and new installations are required for the majority of this work. Subsequently, a variety of refuse materials is generated that needs to be disposed of in a proper manner. Other common materials generated by District operations and in need of disposal include rubbish, concrete, asphalt, soil, tires, wood, and vegetation.

There are a limited number of disposal sites throughout the general area and travel time is an important factor to consider when deciding where to dispose of spoils. In the past many different sites were utilized, but as more and more sites closed or restricted their operations, we increased our usage of the Tri-Cities Waste Management facility located at 7010 Auto Mall Parkway in Fremont. This location is no longer in business. The site most frequently used at this time is Newby Island Landfill located at 1601 Dixon Landing Rd. in Milpitas, CA. Currently, expenditures for FY 08/09 will approach \$150,000. It is anticipated that we will increasingly use this site. FY 09/10 expenses are estimated to be about \$160,000. Sufficient funds have been budgeted for these expenditures.

A motion was made by Director Huang, seconded by Director Koller, to authorize an annual purchase order to Newby Island Landfill for disposal of a variety of materials at prices quoted for FY 09/10.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

**5.5* AUTHORIZATION OF CHANGE ORDER NO. 1 FOR THE VINEYARD HEIGHTS
TANK SEISMIC UPGRADE**

On November 13, 2008, the construction contract for the Vineyard Heights Tank Seismic Upgrade Project was awarded to Paso Robles Tank, Inc. in the amount of \$778,500. The scope of work includes replacing the lower tank shell with thicker steel plate, anchoring the tank, upgrading the inlet/outlet and overflow piping, performing miscellaneous electrical work and recoating. Construction began in January and is approximately 40% complete.

Change Order No. 1, in the amount of \$1,546, includes the cost for the removal and disposal of buried surplus foundation concrete around the base of the tank. The Contractor has also submitted a request for a time extension of 2 calendar days due to the additional work. Staff has reviewed the time extension and cost associated with the additional work and has determined that they are fair and reasonable. There is adequate funding in the budget for this expenditure.

A motion was made by Director Huang, seconded by Director Koller, to 1) approve Change Order No. 1 in the amount of \$1,546; and 2) grant an extension of time of 2 calendar days for the Vineyard Heights Tank Seismic Upgrade Project, Job 6351.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

**5.6* AUTHORIZATION OF CHANGE ORDER NO. 1 FOR THE BELLFLOWER AND
FARWELL ARP WELL SITES UPGRADE PROJECT**

On October 9, 2008, the construction contract for the Bellflower and Farwell ARP Well Site Upgrade Project was awarded to JMB Construction, Inc. in the amount of \$832,865. The scope of work includes the demolition of existing equipment and the installation of piping, pump houses, PLCs, and District-furnished pumping equipment and electrical switchgear. Construction began in December and is approximately 50% complete.

Change Order No. 1, in the amount of \$7,474 has been prepared for the following additional work items requested by the District at the Bellflower site: 1) extend a well pipe that was uncovered during the demolition work (\$254); and 2) add an additional 5-inch electrical conduit to meet PG&E requirements for electrical service (\$7,220). The Contractor also submitted a request for a time extension of 2 calendar days due to the additional work and 1 rain delay day. Staff has reviewed the time extension request and the costs associated with the additional work

and have determined that they are fair and reasonable. There is adequate funding in the budget for this expenditure.

A motion was made by Director Huang, seconded by Director Koller, to 1) approve Change Order No. 1 in the amount of \$7,474; and 2) grant an extension of time of 3 calendar days for the Bellflower and Farwell ARP Well Site Upgrade Project, Job 4311.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5.7* RESOLUTION FINDING THE GEOTECHNICAL INVESTIGATION PROJECT AT RUBBER DAM NO. 1 FOUNDATION CATEGORICALLY EXEMPT FROM CEQA AND APPROVING THE PROJECT

On May 15, 2008, the Board authorized a purchase order to Winzler&Kelly to provide engineering services for the Lower Alameda Creek Fish Passage/Rubber Dam No. 1 Foundation Evaluation Project. In order to address Division of Safety of Dams (DSOD) requirements, the project also includes a geotechnical investigation. Because the work is being performed within the Alameda Creek channel, staff has applied for permits from the Army Corps of Engineers, the Regional Water Quality Control Board and the Department of Fish and Game. The investigation project is subject to the California Environmental Quality Act (CEQA).

Certain project categories have been identified by CEQA to have no significant effect on the environment. These project categories are exempt from the environmental review process.

CEQA Section 15301 addresses Class 1 Categorical Exemptions and states “Class 1 consists of the operation repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination.” Section 15301 provides specific examples of a Class 1 Categorical Exemption to include, “Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services.”

The geotechnical investigation qualifies for a Class 1 Categorical Exemption because the proposed investigation involves minor alterations to the existing rip-rap apron which will not change the capacity or use of the rubber dam and will not result in any significant environmental impacts.

The investigations will take place once permitting and CEQA are complete.

A motion was made by Director Huang, seconded by Director Koller, to adopt a resolution that finds 1) the geotechnical investigation to qualify for a CEQA Section 15301 Class 1 Categorical Exemption, and 2) approve the geotechnical investigation project, Job 6359.

RESOLUTION NO. 09-018

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT FINDING THAT THE GEOTECHNICAL INVESTIGATION PROJECT AT RUBBER DAM NO. 1 FOUNDATION FOR THE RUBBER DAM NO. 1 SEISMIC UPGRADES PROJECT IS CATEGORICALLY EXEMPT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) (REFERENCED AS PROJECT G-G41.02 WITHIN THE DISTRICT'S CAPITAL IMPROVEMENT PROGRAM)

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5.8 PUBLIC HEARING ON PROPOSED REPLENISHMENT ASSESSMENT FOR FY 09/10

Mr. Wadlow reported that on November 13, 2008, the Board ordered the preparation of the 2009 Engineering Survey Report on Groundwater Conditions as provided in Section 7 of the District's Replenishment Assessment Act. On February 12, 2009, the Board: 1) received the completed report; 2) declared its intent to raise funds by a replenishment assessment in FY 09/10; and 3) scheduled a Public Hearing for April 14, 2009.

On March 12, 2009, staff presented the report's findings and basis for the recommended replenishment assessment to the Board.

As provided in the District's Replenishment Assessment Act, a public hearing must be held on the second Tuesday in April for the purpose of determining whether, and to what extent, the cost of replenishing groundwater supplies within the District during FY 09/10 will be funded by a replenishment assessment.

Notice of the time and place of the public hearing was published in The Argus newspaper and was posted on the District's website. Additionally, notification mailings of the proposed 5% increase in the replenishment assessment rate were mailed as required by Proposition 218. To date, no comments from the public have been received by the District.

Any person interested, including any and all persons owning property within the District, may appear during the public hearing and present any and all matters in support of or in opposition to the proposed assessment, the Survey Report, or the Board's determinations. The hearing may be adjourned from time to time, but must be completed no later than the first Tuesday in May (May 5, 2009).

President Gunther declared the public hearing open at 6:10 P.M. and called for communications from the audience. There being no comments from the audience or in writing, the public hearing was closed at 6:11 P.M.

5.9 RESOLUTIONS ESTABLISHING REPLENISHMENT ASSESSMENT FOR FY 09/10

Since no public comments were received during the April 14, 2009, public hearing on the proposed replenishment assessment an additional Board meeting will not be required. Staff has prepared the required resolutions for establishing the proposed replenishment assessment for FY 09/10. These resolutions may be adopted only after the public hearing is completed and closed. Should the Board not adopt the resolutions, a special Board meeting would be required to meet the deadline stipulated in the Replenishment Assessment Act (second Tuesday in May, or May 12) to adopt the required resolutions to establish a replenishment assessment for FY 09/10.

The resolutions: 1) state the findings and determine the need for the replenishment assessment; 2) establish the replenishment assessment rates (\$8.00 per acre-foot for agricultural and municipal recreation uses, and \$217.00 per acre-foot for all other uses); and 3) provide procedures and statement forms.

A motion was made by Director Koller, seconded by Director Huang, to adopt the resolutions required to establish the Replenishment Assessment for FY 09/10.

RESOLUTION NO. 09-019

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
STATING FINDINGS AND DETERMINING NEED FOR REPLENISHMENT
ASSESSMENT FOR FISCAL YEAR 09/10

RESOLUTION NO. 09-020

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
LEVYING A REPLENISHMENT ASSESSMENT FOR FISCAL YEAR 09/10

RESOLUTION NO. 09-021

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
PROVIDING PROCEDURES FOR PAYMENT OF ASSESSMENTS AND
PROVIDING FORM OF QUARTERLY STATEMENTS FOR OPERATORS OF
WATER PRODUCING FACILITIES

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

5.10 RESOLUTION AWARDING CONTRACT FOR BUNTING POND FISH SCREEN SITE CONSTRUCTION AND RUBBER DAM NO. 2 DECOMMISSIONING PROJECTS

Mr. Shaver reported that the Bunting Pond Fish Screen Site Construction and Rubber Dam No. 2 Foundation Modification Projects are part of an overall program to restore steelhead in the Alameda Creek Watershed. These two projects were packaged under one set of bid documents and the total bid price is based on the sum of the two projects (Schedule A and Schedule B).

The Bunting Pond Fish Screen Construction Project is comprised of two elements. The first element, fabrication and installation of the fish screen, was awarded to Intake Screens, Inc. on March 12, 2009, in the amount of \$291,250. The second element includes the sitework required to accommodate the fish screen installation and contains the following principal construction items: 1) temporary water diversion facilities within Alameda Creek Flood Control Channel; 2) modification of the existing reinforced concrete water diversion intake; 3) electrical work; and 4) site restoration.

The Rubber Dam No. 2 Decommissioning and Foundation Modification Project contains the following principal construction items: 1) temporary water diversion facilities within Alameda Creek Flood Control Channel; 2) temporary channel access ramp to the creek bottom; 3) modification of the existing dam foundation to install a 9 feet wide by 60 feet long “Lariner” fishway for fish passage under low flow conditions; 4) abandonment of vaults, pipelines, and appurtenances; and 5) site restoration.

On Thursday, March 26, 2009, the District received and opened eight (8) bid proposals for the projects. All bids were checked arithmetically and for compliance with the bidding requirements. One bid contained a mathematical error. Correction of the error resulted in the first and second apparent low bidders changing positions. The totals for comparison ranged from a corrected low of \$686,800 to a high of \$1,750,678. Engineer’s estimate was \$1,326,000.

Con-Quest Contractor, Inc. (Con-Quest) of San Francisco, California submitted the lowest bid in the amount of \$686,800. However, Con-Quest's proposal was deemed non-responsive because Con-Quest has not operated under its present business name and license for at least five (5) years as required in the bid documents. Con-Quest has been in the business of construction contracting under its present business name and license since April 8, 2008, approximately one (1) year. In addition, Con-Quest did not submit any work experience under its current business name and license with its proposal as required.

The second low bidder was Valentine Corporation (Valentine) of San Rafael, California with a bid total of \$767,369. This firm has been in the contracting business under its present business name and under the same license for 44 years doing work similar to that required. There was a one minor irregularity with the electrical subcontractor, Paradigm Energy, Inc., in Valentine’s proposal. The electrical subcontractor submitted an older version of the District’s Statement of Experience form; however, the substantive information on that form is identical to the information that is required to be submitted under the current version of the Statement of Experience form. The information provided by the subcontractor meets all requirements of the

specification. The references provided for Valentine Corporation were checked, and the quality of workmanship was satisfactory. Valentine’s proposal was checked and found to be responsive.

There is adequate funding in the current budget and the next year’s budget for this work.

A motion was made by Director Huang, seconded by Director Weed, to 1) reject the bid of Con-Quest Contractor, Inc. as non-responsive; 2) waive the minor irregularity in the second low bid submitted by Valentine Corporation; and 3) adopt a resolution to award the contract for Bunting Pond Fish Screen Site Construction Project and Rubber Dam No. 2 Decommissioning and Foundation Modification Project to Valentine Corporation, in the amount of \$767,369 which is the total unit price and lump sum payment items, Job Nos. 4313.2 and 6320.

RESOLUTION NO. 09-022

OF BOARD OF DIRECTORS OF ALAMEDA COUNTY WATER DISTRICT
ACCEPTING PROPOSAL OF, AND AWARDING CONTRACT TO
VALENTINE CORPORATION, FOR JOBS 4313.2 AND 6320

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther

NOES: None

ABSENT: None

5.11 RESOLUTION AUTHORIZING AGREEMENT WITH THE ALAMEDA COUNTY
FLOOD CONTROL AND WATER CONSERVATION DISTRICT FOR THE
DECOMMISSIONING OF RUBBER DAM NO. 2

The Alameda Creek Flood Control Channel, constructed by the United States Army Corps of Engineers in 1972, extends from the San Francisco Bay approximately 12 miles inland to the vicinity of Niles Canyon. The Alameda County Flood Control and Water Conservation District (County) owns and maintains the channel. The District operates three rubber dams within the channel for diversion of water to groundwater recharge ponds. Rubber Dam No. 2, the most downstream dam, is considered to be a barrier to fish passage under low flow conditions and is no longer needed. However, the foundation needs to remain in place to provide hydraulic grade control for the channel. Accordingly, the District is planning to remove the rubber dam and construct a low flow “Larinier” fishway in the foundation. The decommissioning project is scheduled for construction in summer 2009.

Because the District no longer needs the foundation, staff has entered in discussions with the County to transfer ownership and maintenance of the new fishway and dam foundation to the County. “Larinier” fishways have been successfully installed and operated in numerous applications. Typically, little or no maintenance is required because the fishways are designed to be self cleaning, i.e., silt, sand, and other materials are flushed during high creek flows. However, there is a possibility that debris could become trapped and plug the fishway notch. Accordingly, District and County staffs have agreed to share the risk that more maintenance than anticipated could be required. District staff and legal counsel have drafted an agreement in

which the District will 1) remove the dam and construct the new fishway, 2) document and perform small debris and sediment removal for two years, and 3) transfer ownership of the dam foundation to the County two years after construction is complete. Similarly, the County will document and perform large debris removal for two years. If after two years, the cost for maintenance is more than a similar grade control structure in the channel, the District will share the cost of future maintenance at this structure. However, if the cost is the same or less, the County will be responsible for the cost of all future maintenance at this grade control structure. County staff will recommend that Alameda County Board of Supervisors approve the agreement at its April 28, 2009, meeting.

A motion was made by Director Koller, seconded by Director Huang, to adopt a resolution authorizing an agreement with the Alameda County Flood Control and Water Conservation District for the Rubber Dam No. 2 Decommissioning Project, Job 6319.

The motion was passed by the following vote:

AYES: Directors Koller, Huang, Weed, and Gunther
NOES: None
ABSENT: None

6 – REPORTS

6.1 BOARD COMMITTEE REPORTS

- Operations & Water Quality Meeting of March 4, 2009: (1) 2009 Quagga/Zebra Mussel Prevention Programs at Quarry Lakes and Del Valle Reservoir
- Legal & Legislative Meeting of March 11, 2009: (1) Review of State Legislation
- Water Resources Planning Meeting of March 18, 2009: (1) Meeting with City Managers; (2) Water Conservation Update
- Engineering & Capital Projects Meeting of March 19, 2009: (1) Leaking Underground Fuel Tank (LUFT) Program Update
- Administrative & Finance Meeting of March 25, 2009: (1) City of Fremont Redevelopment Program Update

6.2 OPERATIONAL REPORTS

- Rainfall Report
- Water Production Report
- Quarterly Groundwater Recharge Report
- Quarterly Directors' Expense Report
- Investment Report

6.3 STAFF REPORTS – None

6.4 GENERAL MANAGER’S REPORTS

- Mr. Wadlow updated the Board on the San Francisco Public Utilities Commission (SFPUC) Water Supply Agreement. He informed the Board that the representatives for the Bay Area Water Supply and Conservation Agency (BAWSCA) member agencies have successfully completed the negotiations for a new Water Supply Agreement. The terms of the agreement will be made available by the SFPUC to the public on April 18, 2009. The Commission is scheduled to take action on the agreement on April 28, 2009. After that time the agreement will be distributed to all the member agencies and it is anticipated that staff will be reviewing the agreement with the Board at the May 14, 2009 regular meeting. Member agencies will be taking action on the Water Supply Agreement and the individual water sales contracts during the months of May and June and it is expected these agreements will be scheduled for action at the June 11, 2009 board meeting.

7 – DIRECTOR’S COMMENTS AND/OR AGENDA ITEM REQUESTS

- Director Weed commented on the District’s AAA Rating and how it now raises the opportunity to revisit the District’s debt particularly now that interest rates are at a relatively low level.
- Director Weed informed the Board that Bud Wendell of BAWSCA underwent surgery and we wish him a full recovery. He also informed the Board that BAWSCA is proposing to increase assessments this coming year by approximately 10%.

There being no further business to come before the Board, President Gunther adjourned the meeting at 6:45 P.M.

Gina Markou, District Secretary

Attest:

James G. Gunther, President