

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
February 14, 2012

The Regular Meeting of the Board of Directors was called to order at 6:31 p.m. by President Dains and roll was called. Present were:

Allen B. Dains, President
Charles T. Rose, Vice President
Joseph M. Dion, Director
Robert A. Churchill, General Manager
David B. Kane, Assistant General Manager
John J. Townsel, Operations Manager
David M. Rossi, Project Manager

VISITORS

None

Director Dains led the Pledge of Allegiance.

PUBLIC COMMENT

None

CONSENT CALENDAR

President Dains asked for the Consent Calendar. It was moved by Director Dion, seconded by Director Rose and carried 3-0 to accept the Consent Calendar consisting of:

- 1) Minutes of the Regular Meeting of January 10, 2012.
- 2) Assessor/Collector's Report for January 2012.
- 3) Assessor/Collector's Cancellation Letter for January 2012.
- 4) Treasurer's Report for January 2012.
- 5) Bills to be Paid for January 2012.
- 6) Approve CAL-Card Purchases for January 2012.
- 7) Summary of 2012 Directors, Officers and Employees Training, Seminars and Conference Expenses.
- 8) Approve the disbursement of funds with signature approval of two District Officers upon delivery and acceptance of the vehicles as follows:
 - a) An amount not to exceed \$21,163.30 for purchase of one Ford minivan vehicle from Downtown Ford Sales of Sacramento; and
 - b) An amount not to exceed \$87,417.38 for purchase of two Ford F-550 Cab-and-Chassis trucks from Downtown Ford Sales of Sacramento.
- 9) Reject the claim from Cindy Brooks for property damage and forward it to the District's insurance carrier, Association of California Water Agencies – Joint Powers Insurance Authority, for further consideration and action.

OLD BUSINESS

Auburn Boulevard Water Main Replacement Project

PM Rossi presented a status report on the Auburn Boulevard Water Main Replacement Project. Construction of this project to replace the water main on Auburn Boulevard from Cedar Drive to Linden Avenue began in October 2011 and is approximately 75 percent complete.

Major project elements were summarized. All of the major components of the project are nearly complete, with only a small amount of 8-inch and 6-inch water main remaining to be installed. All of the valves, fire hydrants and water services have been installed, and a small number of backflow prevention assemblies remain to be installed. Paving and concrete restoration is underway.

Directors and staff discussed the progress on the project.

NEW BUSINESS

Training/Continued Education/Meetings

The Board was informed of various upcoming training, continued education opportunities and meetings.

Board of Directors Meetings Policy Amendments

AGM Kane presented a report on proposed amendments to District Board of Directors Meetings policies. Most of the policies contained in District Policy Series 3000, Board of Directors Meetings, have not been reviewed or revised since 1999. District staff review has revealed that these policies are, in large part, still relevant and in keeping with current practices and legal requirements. A number of minor revisions are being recommended to each of the seven Board of Directors Meetings policies to bring the policies into conformance with current practices and policy formatting conventions. There are also changes to account for technological advances in the manner of distribution, reproduction and storage of agendas and minutes. Proposed amendments to these policies were presented for consideration as follows, and Directors were provided with copies of each policy showing the proposed amendments:

Policy No. 3000, Board of Directors Meetings

Amended to specify that the regular meeting of the Board of Directors shall be held on the second Tuesday of each month consistent with CHWD Resolution No. 16-2003.

Policy No. 3010, Board of Directors Meeting Agenda

Amendments to incorporate current practices regarding: submission of agenda items; delivery, posting and distribution of agendas; the order of business on the agenda and related matters including the distribution and posting of agendas using digital media and electronic mail.

Policy No. 3020, Presiding Officer

No language changes; amended to conform with current policy formatting conventions.

Policy No. 3030, Board of Directors Meeting Conduct

No language changes; amended to conform with current policy formatting conventions.

Policy No. 3040, Board of Directors Actions and Decisions

No language changes; amended to conform with current policy formatting conventions.

Policy No. 3060, Minutes of Board of Directors Meetings

Amendments to incorporate current practices and to recognize the distribution and storage of minutes using digital media and electronic mail.

Policy No. 3070, Recording of Board of Directors Meetings

Amendments to recognize audio recording using digital media.

Directors and staff discussed the proposed policy amendments.

It was moved by Director Dion, seconded by Director Rose and carried 3-0 to adopt the following District Board of Directors Meetings Policies with amendments as presented:

Policy No. 3000, Board of Directors Meetings;

Policy No. 3010, Board of Directors Meeting Agenda;

Policy No. 3020, Presiding Officer;

Policy No. 3030, Board of Directors Meeting Conduct;

Policy No. 3040, Board of Directors Actions and Decisions;

Policy No. 3060, Minutes of Board of Directors Meetings; and

Policy No. 3070, Recording of Board of Directors Meetings.

Human Resources Policy Amendments

AGM Kane presented a report on proposed amendments to District Human Resources

Policy No. 4420, Employee Equipment. This policy sets forth certain safety and protective equipment furnished by the District and the requirements for employees to wear or use these items.

Revisions are being proposed to Section 4420.03 of the policy regarding protective footwear. This section, currently entitled “Safety Boots/Shoes”, is being amended to be consistent with CAL/OSHA requirements and language. CAL/OSHA specifies that safety footwear meet American National Standard for Personal Protection-Protective Footwear, ANSI Z41-1991. This standard encompasses both steel-toe and composite-toe safety shoes and boots.

It is also proposed that the policy be amended to allow the use of the \$180-per-year protective footwear allowance toward the purchase of orthotic insoles when prescribed by a medical doctor. The District will only reimburse up to \$180 annually toward the combined cost of protective footwear and prescribed orthotic insoles.

Directors were provided with a copy of Policy No. 4420, Employee Equipment, with proposed amendments. Directors and staff discussed the proposed amendments.

It was moved by Director Rose, seconded by Director Dion and carried 3-0 to adopt District Human Resources Policy No. 4420, Employee Equipment, with amendments as presented.

Earth Day Celebration Sponsorship

AGM Kane presented a report on a proposed sponsorship for the Citrus Heights Earth Day Celebration. Citrus Heights Water District has received an invitation to become a sponsor for an inaugural Citrus Heights Earth Day Celebration that is being held at Skycrest Elementary School on Saturday, April 21, 2012. Directors were provided with a copy of a promotional flyer for the event.

The event is being organized by the Birdcage Heights Neighborhood Association (also known as Citrus Heights Neighborhood 11) which is a subset of the overall Citrus Heights neighborhood organization known as the Residents’ Empowerment Association of Citrus Heights (REACH). According to event organizers, the event is attracting a variety of local businesses and community groups.

Staff is proposing that the District sign up as a Sponsor for the event. The environmental theme of the event fits well with the CHWD’s stewardship of water resources for its customers. The cost of sponsorship is \$100. For this investment, the District’s name and logo will be featured on advertising and t-shirt promotions for the event. District participation on the day of the event is likely to be limited to presentation of a brief seminar on water efficiency programs and rebates. The District is not proposing to host an exhibit space for the event due to the cost of preparing and staffing a booth for this type of event. Directors and staff discussed the District’s participation in the event. Director Rose suggested that management inquire with District staff to see if there are

employees that might wish to volunteer to staff a booth for the event.

It was moved by Director Dion, seconded by Director Rose and carried 3-0 to approve Citrus Heights Water District's sponsorship of the Citrus Heights Earth Day Celebration.

2012 Fleet Equipment Purchase

OM Townsel presented a report on the purchase of three accessory items of equipment for the District's 2006 Komatsu loader. This loader is used in the corporation yard to load raw materials and recycle soil. To further improve the use of the loader, three items are being proposed for purchase.

<u>Equipment Description</u>	<u>Budget</u>
1. Cab enclosure to protect operator from blowing dust and debris	\$ 5,000
2. Four-in-one bucket to facilitate loading and recycling activities	\$ 11,500
3. Rotary broom for pavement sweeping.	<u>\$ 11,000</u>
Budget Account 11181-00 / Project 2012-18:	Total \$ 27,500

It is recommended that these items be purchased from Road Machinery of West Sacramento, the local distributor for Komatsu products. Because they are the sole source for Komatsu equipment in the region, no competitive bidding process could be conducted. Directors and staff discussed the purchase of the accessory items for the Komatsu loader.

It was moved by Director Dion, seconded by Director Rose and carried 3-0 to authorize District staff to purchase one cab enclosure, one four-in-one bucket, and one rotary broom for the 2006 Komatsu loader from Road Machinery of West Sacramento with a total cost of \$27,109.66.

Vacuum Trailer System Purchase

OM Townsel presented a report on the purchase of a vacuum trailer system. The purchase of this new piece of equipment was authorized in the amount of \$46,000.00 in the 2012 Capital Improvement Budget. This new vacuum trailer system will be used by the Service Installation Crew in the performance of leak repairs, service replacements and work zone clean-up activities.

Departmental needs were assessed and an appropriate equipment description was developed. Bids were solicited from three local equipment suppliers. The resulting bids are listed as follows:

<u>Supplier</u>	<u>Total Bid</u>
Ditch Witch Equipment	\$ 43,301.30
Vermeer	\$ 46,061.58
Global Machinery West (Vactron)	\$ 48,190.11

Directors and staff discussed the bids and the equipment to be purchased.

It was moved by Director Rose, seconded by Director Dion and carried 3-0 to authorize staff to proceed with the purchase of a new vacuum trailer system from Ditch Witch Equipment Company of West Sacramento in the amount not to exceed \$43,301.30.

Administration Building Expansion and Entry / Security / Energy Improvements

GM Churchill presented a report on the planning phase of the Administration Building Expansion and Energy / Security / Energy Improvements Project (the Admin Building Project) that was approved as part of the 2012 Capital Projects Budget. In late December 2011, the District issued a Request for Proposals (RFP) to provide architectural planning, design and construction administration services for the Admin Building project. Directors were provided with a copy of the RFP. The RFP was mailed to eight architectural firms in the greater Sacramento region. A mandatory site visit meeting was held on January 11, 2012 with five firms attending including one that was not on the initial mailing list for the RFP. Three proposals were received on January 23, 2012. These proposals were reviewed by the Proposal Review Panel composed of GM Churchill, AGM Kane, OM Townsel, A/C Alaniz & OA Peters. Two firms were selected for interviews that were conducted on February 6, 2012.

The Proposal Review Panel is recommending that Blackbird Associates, Inc. be awarded this project. The District has prior experience working with Blackbird Associates as the architect for the Bonita Way Storage Building Project. The architect has proposed that their efforts be comprised of a Planning Phase to better determine the full scope of the project and then an Implementation Phase based upon the proposed work to be done. The proposed Design Professional Fees for the Planning Phase is \$22,500. The District provided \$325,000 in its 2012 Capital Projects Budget for this project (Project No. 2012-13) which includes \$84,000 for architectural services.

Directors and staff discussed the project and the services to be provided by Blackbird Associates.

It was moved by Director Rose, seconded by Director Dion and carried 3-0 to authorize the General Manager to execute a Professional Services Agreement with Blackbird Associates for the Planning Phase of the Administration Building Expansion and Energy / Security / Energy Improvements Project No. 2012-13 at a cost not-to-exceed \$22,500.

2012 Water Distribution System Infrastructure Replacement Project

GM Churchill presented a status report on the Request for Proposals (RFP) to provide engineering services for the 2012 Water Distribution System Infrastructure Replacement Project. In early January 2012, the District issued an RFP to provide engineering services for the 2012 Water Distribution System Infrastructure Replacement Project. Directors were provided with a copy of the RFP. The Project consists of the replacement of older water distribution system pipelines and related appurtenances on five residential streets

and one arterial road in the District. GM Churchill referenced Attachment 1 of the RFP that identifies the project locations.

The RFP was mailed to 17 engineering firms in the greater Sacramento region. Fourteen proposals were received on January 23, 2012 and were subsequently reviewed by the Proposal Review Panel composed of GM Churchill, PM Rossi, SET Dietrich & CI Gordon.

Three firms are recommended to perform the engineering work as follows:

Livoti Avenue / Livoti Tract	Ben-En Engineering, Roseville
Baird Way / Northlea Way / Kalamazoo Drive	Kennedy / Jenks, Rancho Cordova
Antelope Road	Ruggeri / Jensen / Azar, Rocklin

District staff will meet with Ben-En Engineering and Kennedy / Jenks over the course of the next two weeks to finalize the scope of work and professional fees for their portions of the project. Subject to acceptable fee proposals, staff will report back to the Board of Directors at the March 13, 2012 with a request to authorize executing Professional Services Agreements for the work. A scope and fee proposal for the Antelope Road project was considered later at this meeting.

The Board authorized \$903,247 in the 2011 and 2012 Capital Projects Budgets for this project which includes \$137,000 for engineering services. Directors were referred to Attachment 1 in the RFP for a breakdown of the estimated total project cost and engineering fees by location.

Directors and staff discussed the project and the locations where water mains are planned to be replaced.

Auburn Boulevard Water Facilities Replacement Project – Sylvan Corners to Rusch Park

GM Churchill presented a report on a project to design and construct water distribution system facilities concurrent with the City of Citrus Heights Auburn Boulevard Complete Streets and Revitalization Project. The City is planning to provide for undergrounding of aerial facilities on Auburn Boulevard from north of Sylvan Corners to Rusch Park. The majority of this work will occur on the on the east side of Auburn Boulevard and will also include a complete street makeover of Auburn Boulevard from Pratt Avenue to Rusch Park.

The District proposes to abandon a 6-inch steel water main on the west side of Auburn Boulevard and provide water main and service connections to the existing 8-inch ACP water main on the east side of the street. Also included is replacement of 8-inch steel water mains at or near the intersection of Auburn Boulevard and Watson Way. The scope of work also includes installation, replacement and/or relocation of other water system attributes including water services and fire protection facilities. A short extension of an 18-inch water transmission main at Pratt Avenue is also proposed to clear the

improvements.

The District has been involved in the planning process for this project for several years and has an agreement for engineering services with Mark Thomas and Company for water system relocation and replacement work associated with the project. The plans are now at the 95 percent stage.

Directors were provided with a spreadsheet detailing the various water-related bid items to be included in the City's bid documents for construction by the City's contractor with reimbursement to the City by the District. The District's estimated costs and proposed cost sharing between the City and the District is also provided. The City is in conceptual agreement. These preliminary estimated costs, exclusive of mobilization and paving, total approximately \$560,000 with the preliminary cost share being \$140,000 City (25 percent) and \$420,000 District (75 percent). In the District's 2012 Capital Projects Budget, \$590,259 is appropriated for this project (No. 2012-03) including \$547,745 for construction. The City is drafting a reimbursement agreement for review by the District. Upon receipt, the draft agreement will be reviewed by the District's legal counsel.

One of the sources of the City's funding for the Project is through Cal Trans. As such, there are numerous documents to be filed including those for the water-related work. Directors were provided with copies of agreements and other documents related to execution of the work that have been reviewed by staff and legal counsel. The District's comments and edits related to these documents have been addressed. Directors and staff discussed the proposed improvements and the cost-sharing arrangements between the City and the District.

It was moved by Director Dion, seconded by Director Rose and carried 3-0 to authorize the General Manager to execute any necessary agreements, subject to legal counsel approval and within the constraints of the project budget, to facilitate the design and construction of water distribution system facilities concurrent with the City of Citrus Heights Auburn Boulevard Complete Streets and Revitalization Project.

Antelope Road Water Main Replacement Project

GM Churchill presented a report a project to design and construct water distribution system facilities concurrent with the City of Citrus Heights Antelope Road Accessibility and Safety Improvement Project. As noted in the report presented earlier in this meeting on the engineering services for the 2012 Water Distribution System Infrastructure Replacement Project, replacement of a problematic section of 8-inch water main on Antelope Road east from Lauppe Lane was anticipated to be included with the engineering tasks for this project. This work is now recommended to be performed in conjunction with the City of Citrus Heights roadway improvement work in this area.

The City's schedule is approximately two months ahead of the District's schedule. In order to keep both projects moving together, it is recommended that the plans for the District's work be performed by the City's project engineer, Ruggeri / Jensen / Azar

(RJA). It is noted that RJA performed similar work, under budget, for the District for the 2011 Mariposa Avenue 16-inch Water Main Rehabilitation Project. Directors were provided with a copy of RJA's Scope of Work and Fee Estimate of \$24,000. The District's initial estimate for this work was \$20,000.

In addition to the 8-inch water distribution main replacement budgeted for this location, staff is now considering the installation of approximately 200 lineal feet of 24-inch water transmission main across the intersection of Antelope Road and Lauppe Lane opposite Rusch Park. When the Northridge Water District (now Sacramento Suburban Water District) 48-inch water transmission pipeline was constructed along the north side of Antelope Road, CHWD purchased a 24-inch valved-outlet for a future interconnection in order to potentially receive a high volume of water from the west. Although a physical connection is not anticipated at this time, it is envisioned that this 24-inch main will eventually connect to the 24-inch main crossing Auburn Boulevard west of Carriage Drive opposite Stock Ranch, shown in the District's Ten-Year Capital Improvement Plan for 2019-2020. Construction at this time while the intersection is being reworked is likely to be less costly now than in the future.

Directors and staff discussed the project and the design work to be performed by RJA.

It was moved by Director Rose, seconded by Director Dion and carried 3-0 to authorize the General Manager to execute a Professional Services Agreement with Ruggeri / Jensen / Azar for engineering services associated with design and construction of replacement 8-inch water distribution system facilities concurrent with the City of Citrus Heights Antelope Road Accessibility and Safety Improvement Project at a cost not-to-exceed \$24,000 with a contingency of \$6,000 to include similar engineering work related to the installation of 24-inch water transmission facilities.

Investment of District Funds Policy

AGM Kane presented a report on proposed amendments to District Policy No. 6300, Investment of District Funds. Section 6300.90 of the District's investment policy specifies that the policy shall be reviewed, modified as necessary and re-adopted or amended at least annually. The policy was last reviewed and amended by the Board in March 2011. Directors were provided with a copy of the policy with proposed amendments.

The policy has been reviewed by District staff and by District Legal Counsel Judy Albiez. Ms. Albiez' annual review covers the existing Policy and the current California Government Code Sections related to public agency investments. Ms. Albiez' review revealed one substantive change for compliance with the Code, and a number of minor non-substantive changes for clarity, grammar or consistent use of terminology throughout the document.

The one substantive change is in Section 6300.50, Authorized Investments, specifically to Paragraph H of this section regarding Negotiable Certificates of Deposit. The Code now permits investing in Certificates of Deposit in federally licensed branches of foreign

banks. This is in addition to Certificates of Deposits at nationally or State chartered commercial banks, savings banks, savings and loan associations or credit unions in the State as was previously allowed.

Ms. Albietz also noted that the Code requirement to perform annual review of investment policies was removed in 2006, and that the District could choose to remove or amend the annual review requirement set forth in Section 6300.90 of its investment policy. District staff is not recommending any change to the annual review requirement.

District staff has also identified numerous non-substantive changes in terminology, spelling, capitalization, and punctuation that do not change provisions of the policy. Directors and staff discussed the proposed amendments to the policy.

It was moved by Director Rose, seconded by Director Dion and carried 3-0 to adopt District Policy No. 6300, Investment of District Funds with amendments as presented.

PROJECT MANAGER'S REPORT

PM Rossi presented a report on the following activities during the month of January 2012 by the Project Management and Engineering Department: projects under construction or pending construction by private contractors and developers; project development/design underway by District staff, and projects under construction or completed by contractors on the District's behalf including the Auburn Boulevard – Cedar Drive to Linden Avenue 12-Inch Water Main Replacement Project. They also reported on design coordination underway with the City of Citrus Heights on the City's Auburn Boulevard Joint Trench Utility Undergrounding Project and the Sunrise Boulevard Complete Streets Improvement Project.

OPERATIONS MANAGER'S REPORT

OM Townsel reported as follows:

1. A total of 102 work orders were performed during the past month by Field Operations crews, Administration Field crews and District contractors. The results of recent bacteriological testing, a total of 72 samples, have met all California Department of Public Health requirements.
2. District-wide water consumption for the calendar year 2012 through the end of January 2012 was 699.90 acre-feet, an increase of 5.2 percent compared with the average annual water consumption during the previous five years, 2007-2011.

President Dains called a brief recess to the meeting at 7:29 p.m. PM Rossi and OM Townsel left the meeting.

The Board reconvened at 7:30 p.m.

DIRECTOR'S AND REPRESENTATIVES REPORTS:

GM Churchill reported on a Regional Water Authority (RWA) Executive Committee meeting that he attended recently.

Director Rose reported on a Sacramento Groundwater Authority (SGA) meeting that he and GM Churchill attended recently.

Director Dion reported on a San Juan Water District Executive Committee that he attended recently along with GM Churchill and AGM Kane. He also reported on meeting of the Association of California Water Agencies - Joint Powers Insurance Authority that he attended recently.

Directors Rose, Dion and Dains reported on a recent City of Citrus Heights City Council meeting that they attended to lend support for efforts to build a coalition to support a set of regional principles regarding the proposed Delta Plan. RWA Executive Director John Woodling gave the presentation to the City Council. GM Churchill and AGM Kane were also in attendance at the meeting.

Directors Dains and Rose reported on a recent San Juan Water District meeting that they attended to hear a presentation by attorney Ryan Bezerra on Delta issues. GM Churchill and AGM Kane were also in attendance at the meeting.

AGM Kane reported on a Chamber of Commerce Government Issues Committee meeting that he attended recently.

ASSISTANT GENERAL MANAGER'S REPORT

AGM Kane reported as follows:

1. District staff is in the process of preparing information for the District's auditor, Richardson & Company, in preparation for the 2011 financial audit. The auditor will be at the District's office during the final week in February 2012 to perform their field work for the audit.
2. Directors were provided with a summary of Water Efficiency Program activities during the month of January 2012, including the number of ultra-low-flush toilet rebates and high-efficiency clothes washer rebates issued. Water Efficiency Coordinator Rex Meurer conducted two classroom presentations to 5th grade classes at Oakview Elementary School, and also helped to staff a Regional Water Authority – Regional Water Efficiency Program booth at the Cal Expo Home and Landscape Show during the final weekend in January.
3. A Reporting of Significant Event (Rating Changes) has been issued by the District in connection with the Series 2003 Certificates of Participation (COPs) issued by San Juan Water District and CHWD. The rating on the insurer for the COPs,

National Public Finance Guarantee Corporation (successor to MBIA Insurance Corporation) has been downgraded from Baa1 to Baa2. This Reporting is an obligation under the District's Continuing Disclosure Agreement for the COPs and has no effect on the principal, interest or other material terms of the COPs. Directors were provided with a copy of the Reporting.

4. AGM Kane reported on a recent Cross Caucus Meeting that he attended regarding the Water Forum Flow Management Standard (FMS). At that meeting, there was agreement to authorize Water Forum staff to begin moving forward with steps needed to initiate the preparation of an Environmental Impact Report (EIR) for the Lower American River Flow Management Standard (the FMS).
5. The District's new telephone system has been installed and placed into service, and is performing as designed. The changeover from the old telephone system to the new one was performed by Gaynor Telesystems on Friday, February 10, 2012 while District offices were closed for business. Additional features, including fax-to-email and call accounting, will be installed within the coming week.

GENERAL MANAGER'S REPORT

GM Churchill reported as follows:

1. Sixteen District employees received recognition for superior attendance, outstanding customer service and quality of work during the month of January 2012. Directors were provided with a list of the employees and items for which each received recognition.
2. A list of the General Manager's significant assignments and activities was provided.
3. Directors were provided with an annual comparison of typical residential dwelling water rates for 20 water agencies in the greater Sacramento region. The comparison, compiled by the District in mid-January 2012, shows that the water bill for a typical single-family residence using 20 units of water in a month ranges from \$26.30 to \$95.94 with a monthly average of \$49.88. The District's typical metered rate for 20 ccf is \$38.68, 22.46 percent below the regional average.
4. GM Churchill and AGM Kane met with Sacramento Local Agency Formation Commission (LAFCo) staff members Peter Brundage and Donald Lockhart on January 19, 2012 to discuss annexation of various "islands" of territory within the District's boundary. The concept of a "mass" annexation of the remaining unannexed territory is acceptable to Sacramento LAFCo as noted in their February 2, 2012 correspondence, a copy of which was provided to Directors.

A mass annexation would: 1) allow for inclusion of territory currently receiving water service such as several public agency lands that staff believes were once

exempted from the annexation process; 2) require those properties not receiving water service to still go through an annexation process and pay District annexation fees but would discharge the requirement to go through a process with LAFCo thereby saving the time and expense related to a LAFCo filing and saving the District time by not having to manage the process; 3) allow for correction of boundary descriptions for previously annexed properties; and 4) allow for the inclusion of various segments of public road rights-of-way that have not been previously annexed.

Directors and staff discussed the proposed annexation process. Directors expressed support for the approach. GM Churchill will begin preparation of a report and maps in this regard in March 2012 for review by the Board of Directors with the intent to complete this effort by the end of June 2012.

CORRESPONDENCE

Correspondence was discussed and ordered filed as follows:

1. Letter from Bettie Cosby, President/Chief Executive Officer of the Citrus Heights Regional Chamber of Commerce, thanking the District for renewing its membership with the Chamber for 2012.
2. Letter from multiple signatories comprising the North State Water Alliance, including the Citrus Heights Water District, to the Delta Stewardship Council providing comments on the draft Environmental Impact Report for the draft Delta Plan and transmitting a copy of the principles adopted by the signatories.
3. Letter from Timothy Quinn, Executive Director, Association of California Water Agencies, to the Delta Stewardship Council with comments regard the Draft Program Environmental Impact Report for the Delta Plan submitted on behalf of the Ag-Urban Coalition.

CLOSED SESSION

Pursuant to subdivision (b)(3)(A) of Government Code Section 54956.9, one case, President Dains adjourned the meeting to Closed Session at 8:09 p.m. to receive communication from legal counsel regarding anticipated litigation, significant exposure to litigation. Directors Dains, Dion and Rose, GM Churchill and AGM Kane were in attendance for the Closed Session.

President Dains reconvened the meeting into Open Session at 8:34 p.m. He reported that no reportable action was taken during the Closed Session.

FUTURE MEETINGS

A list of upcoming Board meetings and other meetings related to the business of the

District that may involve the participation of Directors or District staff was presented and reviewed.

ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at 8:37 p.m.

APPROVED:

Original signed by: Robert A. Churchill
ROBERT A. CHURCHILL
Secretary
Citrus Heights Water District

Original signed by: Allen B. Dains
ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District