

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS MEETING
April 10, 2007

The Regular Meeting of the Board of Directors was called to order at 6:30 p.m. by President Rose and roll was called. Present were:

Charles T. Rose, President
Joseph M. Dion, Vice President
Allen B. Dains, Director
Robert A. Churchill, General Manager
David B. Kane, Assistant General Manager
John J. Townsel, Operations Manager
David M. Rossi, Project Manager
Pamela L. Peters, Office Administrator
Joseph P. Scherrer, Special Programs Administrator
Rex W. Meurer, Conservation Specialist

VISITORS

Janet Dutcher, CPA, Bartig, Basler & Ray
Neelu Puri, Bartig, Basler & Ray
Brian Cassaday
Shellissa Hermansen

Director Dion led the Pledge of Allegiance.

CONSENT CALENDAR

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

1. Minutes of the Regular Meeting of March 13, 2007.
2. Minutes of the Special Meeting of March 28, 2007.
3. Assessor/Collector's Report for March 2007.
4. Adjustments to the 2007 Assessor's Roll.
5. Treasurer's Report for March 2007.
6. Bills to be Paid for March 2007.
7. Approve CAL-Card Purchases for March 2007.
8. Summary of 2007 Directors, Officers and Employees Training, Seminars and Conference Expenses.
9. Receive and file report of settlement of a claim from Elisa Quackenbush.
10. Call for a Special Joint Workshop Meeting of the San Juan Family of Water Agencies on Wednesday, April 25, 2007 beginning at 7:00 p.m. at San Juan Water District, 9935 Auburn-Folsom Road, Granite Bay, California.

PUBLIC HEARING

Water Conservation Stages

AGM Kane presented a report on the proposed Citrus Heights Water District Mandatory Requirements -Water Conservation Stages 1 – 5. The Citrus Heights Water District, along with the other members of the San Juan Family of Water Agencies, has developed a common set of Water Conservation Stages, including mandatory water conservation requirements for each stage. It is intended that these Water Conservation Stages will be adopted by each of the individual agencies. Such an approach should help to reduce confusion among customers of the different retail agencies, and will allow the agencies to present a unified message with regard to water conservation requirements.

A draft of the Water Conservation Stages was presented at the Board's March 13, 2007 meeting. Directors reviewed the document at that meeting, and called for a public hearing at the April 10 meeting to receive public comment and consider adoption. The public hearing was posted and published, and Directors have been provided with a copy of the proposed final Stages document, including a proposed Resolution for adoption. If adopted, these Water Conservation Stages will replace those that were adopted by the District in 1991 under Ordinance 2-91.

It was noted that changes have been made to the mandatory requirements reviewed at the Board's March 13 meeting, in Stage 4, both Short Term and Long Term. A requirement related to washing of automobiles or equipment only at commercial establishments that use recycled or reclaimed water was deleted from Stage 4. It was agreed by the managers of the San Juan Family that such a requirement would be difficult to enforce under Stage 4, while some outdoor water was still being permitted.

The Boards of each of the San Juan Family agencies will be considering adoption of the Stages within the next few weeks. The California Water Code requires publication of the Stages following their adoption. It is the intent of the San Juan Family agencies to publish one notice of the identical Water Conservation Stages, thereby reducing the considerable cost of the public notice requirement for each agency.

The staffs of all of the agencies have agreed upon these five water conservation stages and the requirements within each stage. Although similar to language now in place for all of the agencies, these recommended new stages take into account the water conservation experience that has been gained since such stages were first adopted in the early 1990s. The Stages are also more fully descriptive of the water use reduction goals for each Stage, as required by the Urban Water Management Plan for each agency.

The higher stages (Stage 4 and 5) distinguish between short-term (45 days or less) and long-term water supply shortages. The long-term shortages require special tiered pricing to support demand reduction goals that would not be practical to implement for short-term shortages. The requirements for long-term shortages under Stages 4 and 5 also state that the District will not make commitments for service for new water service connections for the duration of the Stage requirements.

Directors and staff discussed the proposed Water Conservation Stages. Directors asked for clarification on the difference between the “short-term” and “long-term” versions of Stages 4 and 5. Staff explained that the short-term Stages were designed for water shortage conditions that are anticipated to be 45 days or less in duration, such as a failure of a major transmission main. The long-term Stages are designed for water shortage conditions expected to be longer than 45 days in duration, which will most like be under drought conditions. Certain measures set forth in the long-term Stages, such as Water Crisis/Emergency tiered water pricing, would not be practical or make sense to implement in a short-term water shortage situation.

President Rose opened the Public Hearing at 6:42 p.m. There being no public comment on the matter, President Rose closed the Public Hearing at 6:43 p.m.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to adopt Resolution No. 06-2007 Adopting Mandatory Requirements – Water Conservation Stages 1 – 5.

PRESENTATIONS

Financial Audit Report

AGM Kane introduced Janet Dutcher, CPA, and Neelu Puri of Bartig, Basler & Ray (BBR), the District’s auditors for the fiscal year ending December 31, 2006. Ms. Dutcher was the primary accountant in charge of the recently-completed audit engagement with the District, and Ms. Puri provided assistance on the audit.

Ms. Dutcher presented an overview of the Independent Auditor’s Report for the District’s fiscal year ending December 31, 2006. The report was delivered to Directors within 120 days of the end of the calendar year as set forth in District Policy No. 6010. The auditor has issued a “clean opinion” for 2006 with regard to the District’s financial statements.

Ms. Dutcher stated the audit shows that the District’s financial records are in good shape and that its accounting practices continue to conform with generally accepted accounting principles, with one notable exception. The exception relates to Statement on Auditing Standard No. 112, Communicating Internal Control Related Matters Identified in an Audit (SAS 112), a new auditing standard that was adopted in 2006. This new auditing standard fundamentally changes the approach that the District has used for decades, which entails having the independent auditor also prepare the District’s financial statements. Under SAS 112, the Auditor has now identified this approach as an internal control deficiency.

Ms. Dutcher delivered a presentation on SAS 112 and its effect on the District and other small public agencies that have not historically prepared their own financial statements. She discussed the differences between the auditor’s responsibilities and District’s responsibilities, and described how SAS 112 and other new accounting standards had evolved since the time of the Enron-related accounting scandals. She discussed how SAS 112 is intended to address the conflict with an accountant auditing the financial statements that they themselves prepared.

Directors, staff and Ms. Dutcher discussed the implications of the auditor's opinion and the District's internal control deficiency related to SAS 112 as referenced in both the audited financial statements and the Auditor's Management Report. She identified several alternatives the District could consider, including: hiring an employee with the appropriate skills to prepare the financial statements; hire a separate CPA firm to prepare the financial statements; train existing staff to prepare the financial statements; or do nothing at the risk of losing public confidence and jeopardizing the District's ability to obtain future debt financing.

Ms. Dutcher then reviewed the Auditor's Management Report. Other than the SAS 112 issue already discussed, there were no other new recommendations from the Auditor related to the District's accounting practices or internal controls. The report notes that the sole recommendation from last year's Management Report has been implemented by District staff.

Directors thanked Ms. Dutcher and Ms. Puri for the presentation and their work on the audit.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to accept the Independent Auditor's Report, Financial Statements and Supplemental Information for the Year Ended December 31, 2006.

OLD BUSINESS

Mitchell Farms Groundwater Well – Status Report

PM Rossi presented a status report on the pump station construction phase of the Mitchell Farms Groundwater Well project. He reported on items that have been undertaken with respect to the pump station construction during the past month. These items include installation of the 12-inch water main from the west side of Fair Oaks Boulevard to the well site, and connection of the water main to the 18-inch line on the east side of Fair Oaks Boulevard. PM Rossi also reported on a number of other design and construction items for the project.

Skycrest School Groundwater Well

GM Churchill presented a status report on the property acquisition phase of the Skycrest School Groundwater Well. A letter was received recently from San Juan Unified School District (SJUSD) declining Citrus Heights Water District's request to acquire 1.3 acres of land at Skycrest School for constructing a groundwater well. The reason for the denial was based upon the acreage at the site not being sufficient to meet the state requirements for the number of students at the site.

Directors were provided with a copy of the letter from SJUSD. Directors were also provided with a copy of CHWD management's draft letter in response to the SJUSD letter. The letter articulates CHWD's disappointment with SJUSD's response in regards to the Skycrest site. The CHWD letter further identifies other opportunities for mutual

cooperation and requests a meeting to discuss same. Directors and staff discussed the

letters, and the possibility of other groundwater well sites on SJUSD school sites.

Bonita Way Groundwater Well

GM Churchill presented a report on the purchase of 0.59 acres at 7101 Bonita Way for construction of the Bonita Way Groundwater Well. At the March 13, 2007, Board of Directors meeting, the District and Don and Connie Weber reached an agreement for purchase of the northerly 100 feet of the Webers' property at 7101 Bonita Way for \$211,000.00. A vacant land purchase agreement has been executed on behalf of the District by the General Manager. An escrow account has been set up at Stewart Title Company with closing scheduled for April 11, 2007. District payment will be required at that time. Director and staff discussed the purchase.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to authorize and execute payment in the amount of \$211,000.00 to Stewart Title Company for purchase of 0.59 acres at 7101 Bonita Way for construction of the Bonita Way Groundwater Well.

GM Churchill provided a status report on the environmental documentation phase of the Bonita Way Groundwater Well Project. At their March 28, 2007 Special Meeting the District adopted an Addendum to the Certified Mitigated Negative Declaration and directed staff to prepare and file a Notice of Determination (NOD) for the Project. The NOD was filed with Sacramento County and the State Clearinghouse on March 30, 2007. The filing date establishes the final 30-day comment/protest period on the adopted environmental documentation. Directors and staff discussed the filing of the NOD for the Project.

Conflict of Interest Code

GM Churchill presented a report on proposed amendments to the District's Conflict of Interest Code and codification of the Code by District Policy. The District's Conflict of Interest Code requires review every two years and, if amendments are required, a formal submittal and approval by the Fair Political Practices Commission (FPPC) and adoption by the District.

Draft amendments were prepared and reviewed by the FPPC late last year and all indications were that the revisions were acceptable to the FPPC. The amendments were provided to the designated employees and a 45-day comment period was noticed and observed. Action by the Board to adopt a revised Conflict of Interest Code was anticipated to occur on February 13, 2007.

Shortly prior to action by the District the General Manager received a call from a representative of the FPPC regarding inclusion of the Purchasing/Inventory Specialist in the list of designated positions. The FPPC's review of the District's Purchasing and Procurement Policy substantiates the need to include this as a designated position inasmuch as the Policy itself addresses refraining from conflicts for all employees with purchasing authority. Directors were provided with a copy of the Purchasing and Procurement Policy. Those with purchasing authority also include those employees that make purchases utilizing the District's Cal Card. While there is supervisory review of

their purchases, there are not methods presently in place to alert or recognize conflicts. Inclusion of these employees will add another three positions to the designated list in addition to those proposed previously by the District and those recommended by the FPPC. The addition of Deputy Officer positions as noted is also recommended by the General Manager as the Deputy Officers may act in an official capacity in the absence of the Treasurer or Assessor / Collector, respectively.

Senior staff recommends that the position of Deputy Treasurer be added to the list of officials who manage public investments: Senior staff further recommends that the following positions with purchasing authority or deputy officer authority be added to the list of designated officials and employees:

- Operations Manager
- Project Manager
- Office Administrator
- Deputy Assessor / Collector
- Water Distribution Foreman
- Purchasing / Inventory Specialist
- Water Quality Specialist

The District's intent to amend its Conflict of Interest Code will be provided to the FPPC, to employees working in the designated positions, and posted. A 45-day comment period will be provided. Action by the Board is anticipated at the June 12, 2007 Board of Directors meeting. Directors and staff discussed the Conflict of Interest Code and the District employee positions that are proposed to be added to the lists of officials and employees within the Code.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to authorize the posting and distribution of a "Notice of Intent to Amend the Conflict of Interest Code for Citrus Heights Water District".

NEW BUSINESS

Training/Continued Education/Meetings

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

Sacramento LAFCo Special District Commissioner

GM Churchill presented a report on the election for Special District Commissioner Office No. 6 on the Sacramento Local Agency Formation Commission (LAFCo) that is being conducted. He reported that the candidates for the Commissioner's Office No. 6 are:

- Charles Rose, Citrus Heights Water District
- Ralph Carhart – Fair Oaks Recreation and Park District
- Jeff Tjelmeland – Pacific Fruitridge Fire Protection District

Citrus Heights Water District Director Charles Rose is currently the LAFCo Special

District Commissioner for Office No. 6. Directors discussed the candidates.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to cast the Citrus Heights Water District ballot for CHWD Director Charles T. Rose for Special District Commissioner.

Sacramento LAFCo Alternate Special District Commissioner

GM Churchill presented a report on the election for Alternate Special District Commissioner on the Sacramento Local Agency Formation Commission (LAFCo) that is being conducted. The candidates are:

- Ralph Carhart – Fair Oaks Recreation and Park District
- Jerry Fox – Arcade Creek Recreation and Park District
- Steve Hanson – Sacramento Suburban Water District
- Wayne Kuntz – Rancho Murieta Community Services District
- Lee R. Garrison – Cordova Recreation & Park District

The Alternate Commissioner seat is vacant due to the election of former Alternate Commissioner Gay Jones to LAFCo Special District Commissioner Office No. 7. Directors discussed the candidates.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to cast the Citrus Heights Water District ballot for Wayne Kuntz of Rancho Murieta Community Services District for Alternate Special District Commissioner.

Replacement of Air Conditioning/Heating Units

OM Townsel presented a report on the proposed purchase of two 5-ton heating/ventilation/air conditioning (HVAC) units for the District’s Operations Building. These units were scheduled for replacement in the 2007 Capital Improvement Budget. Both units have reached the point in their service lives where reliability is questionable and repairs may become more costly and time-consuming. The new units are rated for high efficiency and will require less energy to supply heating and cooling to the Operations Building.

For purchasing of the replacement units, bids were solicited from local vendors. The following bids were received:

<u>Qty.</u>	<u>Description</u>	<u>Total</u>	<u>Vendor</u>
2	5-Ton Package Cooling / Gas Electric 14 SEER	\$12,500	Atlantic HVAC
2	5-Ton Package Cooling / Gas Electric 14 SEER	\$16,192	Park Mechanical
2	5-Ton Package Cooling / Gas Electric 10 SEER	\$13,819	Brower

Mechanical

The total amount budgeted for corporation yard improvements in 2007 is \$20,000. Directors and staff discussed the HVAC unit replacements.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to authorize staff to proceed with the purchase of two 5-ton air conditioning / heating units from Atlantic HVAC with an approximate total cost of \$12,500.

Water Conservation Stage Declaration

AGM Kane presented a report on the formal declaration of a Water Conservation Stage for the Citrus Heights Water District for the coming year. The District annually declares or reaffirms water supply conditions for the District when water delivery forecasts and other factors become known for the year ahead. It was noted that the 2006-2007 rainfall season has produced below-average amounts of precipitation and snowfall in the Sierra Nevada watershed. However, the snow-water from the Sierra Nevada snowpack and existing storage in Central Valley Project reservoirs is sufficient for the United States Bureau of Reclamation (USBR) to announce a 100 percent supply allocations for North of Delta Municipal and Industrial (M&I) water users for 2007.

In May 2006, the District adopted a Stage 1- Normal Water Supply for its customers. Stage 1 requirements have been in effect since May 2002. With water supply conditions expected to be adequate for the coming year, it is recommended that the District adopt a Stage 1 – Normal Water Supply requirement for the coming year. AGM Kane noted that the announcement for the Stage 1 declaration would emphasize the need for continued efficient water use by District customers, with the possibility of water supply shortages looming if the next rainy season produces low levels of precipitation.

Directors were provided with a copy of a proposed Resolution declaring a Stage 1- Normal Water Supply for the District. Directors previously received a copy of the proposed Mandatory Requirements – Water Conservation Stages 1 – 5 that was discussed earlier in the meeting.

It was moved by Director Dion, seconded by Director Dains and carried 3-0 to adopt Resolution No. 07-2007 Declaring a Stage 1 – Normal Water Supply Within Citrus Heights Water District.

Palm West Well Site

GM Churchill presented a report on the possible construction of a groundwater well at the proposed Carmichael Recreation and Park District (CRPD) site at 6827 Palm Avenue. The Palm Avenue area is located in the southwest corner of the District. The District's customer base in this 0.45-square-mile area is composed of 935 service connections, 912 of which are residential and 23 of which are commercial.

Water consumption in the Palm Avenue area is estimated at 580 gallons per minute (gpm) on average and 1,740 gpm during peak hour. Surface water is typically provided to this area through a single 12-inch water main crossing Madison Avenue at San Juan Avenue. This water main can deliver 2,460 gpm at a velocity of 7 feet per second. The District's existing Palm Avenue Well #1A provides a secondary source of water for this

area and can produce 1,300 gpm of groundwater at system pressure. Typical residential and commercial fire flow needs in this area are 1,500 gpm and 2,000 gpm, respectively.

Assuming a maximum water demand scenario of a commercial fire during peak hour, a total of 3,740 gpm is needed. The water distribution system can provide 3,760 gpm. In addition, the District has five interconnections with other water agencies adjacent to the Palm Avenue area; however these agencies have a lower operating pressure than the District and therefore, these interconnections typically are functional only when the aforementioned 12-inch feeder water main and Palm Well #1A are not in service. Additionally, both the 12-inch feeder water main and well are located on the easternmost boundary of the Palm Avenue area.

During a surface water shortage or infrastructure emergency the District, in general, will use its groundwater wells to offset deficiencies in surface water. It would be operationally possible to serve the Palm Avenue area of the District with groundwater only during such times with the addition of another groundwater well in the area and the installation of appropriate flow and pressure control valves. An additional new well would allow for operational redundancy and fire flow capabilities.

GM Churchill and OM Townsel have had recent conversations with representatives of CRPD regarding the placement of a well on the future CRPD park site at 6827 Palm Avenue. Master planning for a proposed 3.5 acre park at this location is underway with a community meeting scheduled for April 14, 2007.

Construction of a park at this location has been anticipated for some time. What was originally intended to be a ten-acre park has been reduced to 3.5 acres. The remaining property was sold for residential development in order to generate the funds needed to construct the smaller park. The community in and around the park site, many of which are District customers, are very concerned about past and future reductions in the size of this park. That being the case, a typical District groundwater well footprint of 0.50 acres is not feasible at this site.

It is believed that a well and pump station can be placed on the site in a building area of 0.05 acres. Appropriate architectural and landscape controls would need to be in place adjacent to the building area to permit access for operation and maintenance. All facilities would be contained within a 1,200 square foot split-face masonry block building with a steel roof approximately 20 feet by 60 feet in size. An additional 7,500 square feet of driveable surface area around the building would be needed primarily for maintenance activities. It is proposed that much of this area be constructed with turf-stone to better match the park setting. At this point in time, an off-site access to the pump station building is being explored to further reduce the impacts to the park.

Finding suitable sites for groundwater wells is challenging. The District presently has three operable wells, a fourth under construction and a fifth being designed. The District's Water System Master Plan has identified the need for a total of eleven wells to meet the District's water shortage and emergency needs.

Carmichael Recreation and Park District has requested that the District provide a proposal for their consideration in exchange for the use of CRPD lands for construction and operation of a groundwater well and pump station. For such a proposal to be considered it must be significant enough to demonstrate to both the CRPD and the community of the mutual benefits to CRPD and CHWD. GM Churchill described the draft proposal that could be provided to CRPD for consideration. The proposal outlines services, improvements and other costs estimated at over \$94,000 that CHWD may be willing to provide to CRPD in exchange for a 50-year lease of a building site and easement for a groundwater well.

Directors and staff discussed the CRPD site and the draft proposal. Directors agreed that the site is worth pursuing as a possible groundwater well site for the District, and directed the General Manager to proceed with presenting the proposal to CRPD staff for their review and consideration.

DIRECTOR'S AND REPRESENTATIVES REPORTS:

Directors Dion and Rose and GM Churchill reported on the Forum on Capital Improvement Costs sponsored by the Regional Water Authority (RWA) that they all attended recently.

Director Rose, GM Churchill and AGM Kane reported on a Regional Water Authority (RWA) meeting that they recently attended.

Director Dion reported on meetings of the Regional Water Authority (RWA) Executive Committee and the San Juan Water District Executive Committee that he attended recently.

Director Rose reported on meetings of the Sacramento Groundwater Authority (SGA) and the Sacramento Local Agency Formation Commission (LAFCO) that he attended recently. He also reported on recent matters of interest the California Special District Association (CSDA) (Rose)

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

PROJECT MANAGER'S REPORT

PM Rossi reported on the following activities during the month of March 2007 by the Project Management and Engineering Department: projects under construction or pending construction by private contractors and developers; projects under construction by contractors on the District's behalf; and project development/design underway by District staff.

OPERATIONS MANAGER'S REPORT

OM Townsel reported as follows:

A total of 195 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 76 samples, have met all California Department of Health Services requirements.

The District recently submitted its 2006 Annual Report to the California Department of Health Services. Directors were provided with a copy of the report.

ASSISTANT GENERAL MANAGER'S REPORT

AGM Kane reported as follows:

1. Production of the Spring WaterLine newsletter is underway. This edition will focus on the upcoming conversion of residential customer accounts to bi-monthly metered water billing in January 2008. Publication is targeted for the second week in May 2007, after the second semi-annual flat-rate bills for 2007 have been mailed out.
2. The District has reinvested proceeds from bond investments that recently matured. A total of \$200,000 has been invested in two short-term Certificates of Deposit (CD) yielding: 5.00 percent and 5.05 percent interest respectively. The District currently has over \$467,000 invested in a combination of government agency bonds, CDs and money market funds through its investment advisor, Wachovia Securities.
3. Staff has begun sending out letters to flat-rate customers with the highest water consumption to notify them of their water usage and costs that they would be paying if they were currently on the metered water rate. The letter encourages customers to contact the District for help in identifying ways to reduce their water usage. The letters are currently being sent out to 20 customers per mailing.

The District's annual report on Water Conservation Best Management Practice (BMP) compliance has been completed and submitted to the California Urban Water Conservation Council before the March 31, 2007 deadline.

4. On February 1, 2007, the District converted to its new employee health insurance plans as approved by the Board on January 9, 2007. The employee co-payment reimbursement process is handled by Integrity Administrators, Inc, a third-party benefit administrator. Integrity Administrators reimburses employees for eligible expenses using funds provided by the District. The District estimates that it may save about \$62,000 in 2007 compared with what it would have paid in premiums under the former Health Net and Kaiser plans with significantly lower co-payments for services and prescriptions.

GENERAL MANAGER'S REPORT

GM Churchill reported as follows:

1. As of March 30, 2007, the District has 19,162 metered services, representing 98.21 percent of all of the District's services. The total number of non-metered services remaining is 349. The number of residential customers who have voluntarily converted to metered rates is 1,157.
2. District-wide water consumption for the calendar year was 2,690.95 acre-feet through March 2007, an increase of 9.09 percent compared with the average annual water consumption during the previous five years, 2002-2006.
3. Twenty-two District employees received recognition for superior attendance, customer service and quality of work during the month of March 2007. Directors were provided with a list of the employees and items for which each received recognition.
4. Directors were provided with a list of the General Manager's significant assignments and activities.

CORRESPONDENCE:

Correspondence was discussed and ordered filed as follows:

1. Letter dated March 15, 2007 from Michael R. Finnegan, Area Manager for the U.S. Bureau of Reclamation, regarding the District's progress on installation of water meters.
2. Letter received April 5, 2007, from Robert and Barbara Zenda of Citrus Heights, expressing appreciation for the excellent job performed by District employees Mike Mariedth and Ryon Ridner during the water meter installation at the Zendas' home.
3. Letter dated April 2, 2007 from Jeffrey Inferrera, President of ICM Group, Inc., thanking the District for allowing use of its facilities for training and testing of construction inspectors.

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.

CLOSED SESSION

President Rose adjourned the meeting to Closed Session at 9:37 p.m. to consider the following matters:

Public Employee Performance Evaluation for the General Manager, pursuant to Government Code Section 54957.

President Rose reconvened the meeting into Open Session at 10:02 p.m. It was announced that the Board took no action in the Closed Session:

NEW BUSINESS continued

General Manager Compensation

GM Churchill presented a report on compensation for the General Manager position. The report detailed General Manager Robert A. Churchill's 30-year employment history with the District, including his 20 years as the District's General Manager. The report also detailed GM Churchill's current annual salary, which is at the top of the District's salary schedule range for the General Manager position.

Directors discussed the General Manager's compensation. Directors expressed their satisfaction with the General Manager's performance. However, with the General Manager's present salary at the top of the established range maximum, Directors concurred with the General Manager's recommendation for no salary adjustment for the General Manager at this time.

ADJOURNMENT

There being no other business to come before the Board, the meeting was adjourned at 10:03 p.m.

APPROVED:

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

Original signed by: Charles T. Rose
CHARLES T. ROSE, President
Board of Directors
Citrus Heights Water District