

CITRUS HEIGHTS WATER DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING
May 18, 2011

The Special Meeting of the Board of Directors was called to order at 1:07 p.m. by Director Dion. Present were:

Joseph M. Dion, President
Charles T. Rose, Director
Robert A. Churchill, General Manager/Secretary
David B. Kane, Assistant General Manager/Treasurer

Director Allen B. Dains was absent due to an illness in his family.

The San Juan Water District (SJWD) Wholesale Customer Agencies Joint Board Meeting was conducted at the Fair Oaks Water District Board Room in Fair Oaks, California. Members of the Boards of Directors and staff of San Juan Water District, Fair Oaks Water District, Orange Vale Water Company and Sacramento Suburban Water District were in attendance, as well as staff members from the City of Folsom. Dorian Fougères, an Associate with the California State University, Sacramento Center for Collaborative Policy, served as the meeting facilitator. Charlotte Chorneau, also an Associate with the Center for Collaborative Policy, served as the scribe for the meeting.

The participants received presentations on the following subjects and discussed the individual and collective interests of the SJWD Wholesale Customer Agencies related to each subject:

- Wholesale Dry Year Water Supply, presented by Tom Gray, General Manager of Fair Oaks Water District, and GM Churchill, regarding the status of dry year water supply agreements and related matters;
- Groundwater Contamination and Potential Effects on the Agencies, presented by Robert Roscoe, General Manager of Sacramento Suburban Water District, regarding existing groundwater contamination issues and potential impacts of contamination, and the merits of coordinated action by the SJWD Wholesale Customer Agencies;
- State Legislation and Delta Issues, presented by Shauna Lorange, General Manager of San Juan Water District, providing an update on issues and debates related to legislation and regulatory matters concerning the Sacramento-San Joaquin Delta, and policy principles and interests in involvement by the SJWD Wholesale Customer Agencies;
- SJWD Project Cost Accounting, presented by Ms. Lorange, presenting issues regarding an approach that would separate accounting for SJWD Wholesale

project costs into two main categories, projects upstream of Hinkle Reservoir and projects downstream of Hinkle Reservoir. Specific discussion ensued regarding the effect of this policy on an ongoing project for rehabilitation of the “Fair Oaks 40” transmission main; and

- Opportunities for Consolidation of Water Agencies, a group discussion on the merits and drawbacks of consolidation and current public policy debates on the matter.

Facilitator Dorian Fougères summarized items of discussion at the meeting and stated that notes from the meeting would be distributed soon.

No action was taken on any matters at this meeting.

ADJOURNMENT:

There being no other business to come before the Board, the meeting was adjourned at 3:59 p.m.

APPROVED:

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

Original signed by: Joseph M. Dion
JOSEPH M. DION, President
Board of Directors
Citrus Heights Water District