

COASTAL WATER AUTHORITY

Minutes of Regular Meeting

September 14, 2011

The Board of Directors of Coastal Water Authority convened its Regular Meeting; open to the public, at the CWA Conference Room, One Allen Center, 500 Dallas Street, Suite 2800, Houston, Texas with the following in attendance:

Directors

D. Wayne Klotz, P. E., President *(Absent)*
Tony L. Council, P. E., First Vice-President
Alan D. Conner, Second Vice-President
Zebulun Nash, Secretary-Treasurer

John Odis Cobb, P. E. *(Absent)*
Douglas E. Walker
Giti Zarinkelk, P. E.

CWA Staff

John J. Baldwin
Jerry Berry
Mary Caballero
Jackie Leong

City of Houston Staff

Jun Chang, P. E., Deputy Director, PW&E
John Liles, Legal

Legal Counsel

Jonathan Frels, Vinson & Elkins

Engineering Consultants

Ty Thomas, P. E., Lockwood, Andrews & Newnam, Inc.
Donald Ripley, AECOM
Anne Profflet, Ecologic

Visitors

(See Guest Sign-In Sheet)

I. CALL TO ORDER – Tony L. Council

- A. Welcome and Introduction of the Board.**
- B. Pledge of Allegiance.**
- C. Salute to the Texas Flag.**
- D. Moment of Silence.**
- E. Recognition of Guests.**

Mr. Council recognized all guests and thanked them for their attendance.

II. ITEMS FOR CONSIDERATION – Tony L. Council

A. Minutes of the August 10, 2011 Board Meeting.

Mr. Council advised that the first order of business was the approval of the Minutes of the Board Meeting of August 10, 2011.

MOTION approving the Minutes of the Board Meeting of August 10, 2011.

Motion made by Director Walker, Seconded by Director Conner, Motion Carried Unanimously.

B. Minutes of the September 1, 2011 Special Board Meeting.

Mr. Council stated that the next item of business was the approval of the Minutes of the Special Board Meeting of September 1, 2011.

MOTION approving the Minutes of the Special Board Meeting of September 1, 2011.

Motion made by Director Conner, Seconded by Director Zarinkelk, Motion Carried Unanimously.

C. Recognition of Statement of Appointed Officer, Bond, and Oath of Office for Zebulun Nash, Representing Harris County and Appointed by Governor Rick Perry.

Mr. Frels advised the Board that Mr. Nash had been sworn in and had signed all applicable documentation.

MOTION approving a Statement of Appointed Officer, Bond, and Oath of Office for Zebulun Nash, representing Harris County and appointed by Governor Rick Perry.

Motion made by Director Conner, Seconded by Director Zarinkelk, Motion Carried Unanimously.

III. ONGOING ENGINEERING PROJECTS – John J. Baldwin

A. Luce Bayou

1. Monthly Status Report

Mr. Ripley gave the Monthly Status Report on the Luce Bayou Interbasin Transfer Project which included updates on the following topics:

- ROW Acquisition
- HUB/MWDBE Participation

Right-of-Way Acquisition

Mr. Ripley stated that there were no changes from last month's meeting and are as follows:

Category 1: Property in Possession/Title Acquired (34 Parcels)
(This means all issues are "*Fully Resolved*".)

Category 2: Property in Possession/No Title (6 Parcels)
(In this Category, there are 2 sub-categories)

A. Price Resolved – paper work in process (6 Parcels)
(This means the price has been agreed to, either by negotiation, condemnation, mediation, or jury trial and we're finishing up the paperwork.)

B. Price Not Resolved – condemnation, mediation, jury trial (0 Parcels)
(This means we were unable to reach agreement on price via negotiation and the next step must be taken.)

Category 3: Property Not in Possession (22 Parcels)
Offers being reviewed and/or negotiated

(This means the owners have received our "offer letter" and we are discussing the details.)

AECOM continues to assist V&E in the preparation of a comprehensive list identifying CWA's continuing obligations to landowners from whom property has been acquired updating/finalizing cost data for specific tracts as requested, and updating land acquisitions maps.

MWDBE-HUB PARTICIPATION

Mr. Ripley stated the MBE/HUB participation through July 2011 is \$3,425,050.00 or 24.61% of total AECOM billings.

There were no questions from the Board.

Mr. Baldwin stated to the Board that he and Ms. Anne Profilet with Ecologic attended a meeting with Mr. Jason Hudson and Mr. Casey Cutler with USACE on September 13, 2011. Ms. Profilet then gave a briefing on the meeting to the Board members with reference to the EIS and the Scope of Services. Ms. Profilet stated the project work plan and the scoping report have been approved. Based on comments received at the USACE Scoping Meeting, they will prepare a report on what they deem AECOM needs to do to answer those comments. It is anticipated to receive these reports from USACE sometime next week. The next step will be to review AECOM's Scope of Work and cost. CWA's Board will then be allowed to review and comment on the cost with AECOM; however CWA cannot comment on the Scope of Work with AECOM; the Scope of Work can only be discussed with Mr.

Hudson. Mr. Hudson can then discuss those comments/questions with AECOM.

Ms. Zarinkelk asked about the schedule. Ms. Profflet stated that the schedule is basically the same as discussed at last month's meeting with the exception of the draft EIS being moved from December 2011 to January 2012. The Public Hearing should occur during the middle of 2012 and a decision from USACE is expected in December 2012 with the permit following in the first quarter of 2013.

B. Request for Qualifications (RFQ) for Cathodic Protection Analysis and Limited Survey.

Mr. Council stated that the Professional Engineering Services Review Committee had reviewed and recommends the approval of the Motion as stated below.

MOTION authorizing the Interim Executive Director to issue a Request for Qualification (RFQ) for a Cathodic Protection Analysis and limited survey of portions of the CWA Pipeline Distribution System.

Motion made by Director Walker, Seconded by Director Nash, Motion Carried Unanimously.

C. TWDB Sedimentation Survey of Lake Houston.

Mr. Thomas stated that he has communicated with Mr. Jason Kemp with the TWDB and the work will not be performed until the lake levels at Lake Houston return to normal. Mr. Thomas will inform the Board as soon as he gets word from TWDB that they are ready to proceed. Mr. Berry stated that CWA has paid their share of this cost under the agreement approved last month.

IV. LAND AND RIGHT-OF-WAY – John Liles

A. Intercontinental Terminals Company (ITC) Encroachment.

Mr. Liles stated that on September 8, 2011, ITC removed the encroachment and restored the land to its previous condition. The matter is now closed.

B. Variance Request for Overhead Crossing from Comcast of Houston, LLC.

Mr. Berry referred the Board to the handout letter from Comcast of Houston LLC (Comcast) and stated this is a routing crossing on a CenterPoint easement that CWA granted to CenterPoint in 2005. Mr. Berry recommended the Board pass a Motion approving the variance request from Comcast.

MOTION approving a variance request from Comcast of Houston, LLC for the Clear Lake Fiber Optic installation attached to CenterPoint poles at 21 feet above the ground across CWA Parcel DS-291, being a variance to the standard clearance height of 25 feet above ground surface per the Revised June 2006 Coastal Water Authority General Requirements and Specifications.

Motion made by Director Walker, Seconded by Director Conner, Motion Carried Unanimously.

V. MAINTENANCE & OPERATIONS - Jerry Berry

A. Monthly Report

| TRINITY RIVER | Water Production August 2011 31 DAYS (gallons) | DAILY AVG (MGD) INDUSTRIAL & TREATMENT |
|------------------------------|---|---|
| Trinity River Pump Station | 21.4 billion | Hwy 225 Plants(Incl. CWA WTP) 140 |
| Main Canal | 20.1 billion | SEWPP 122 |
| Cedar Point Lateral | 1309.6 million | EWPP 294 |
| San Jacinto Transfer Station | 315.7 million | Deer Park WTP 6 |
| Lynchburg Pump Station | 18.5 billion | Bayport Plants 34 |
| Water Treatment Plant | 245.0 million | BAWA 22 |
| Bayport Pump Station | 1069.1 million | CPL 42 |
| | | SJRA <u>10</u> |
| | | Trinity River Total 671 MGD |

SAN JACINTO RIVER

| | | |
|---------------------------|-------------|--------------------------------|
| Lake Houston Pump Station | 1.4 billion | Indus. Customers 34 |
| | | EWPP <u>10</u> |
| | | San Jacinto River Total 44 MGD |

Operations

Mr. Berry stated that the Trinity River Pump Station (TRPS) pumped 21.4 billion gallons in August breaking last month's record of 21.2 billion. The average daily production in August was 671 MGD (646 MGD in July). Peak production was 746.1 MGD on August 20, 2011. Production exceeded 700 MGD for (11) days in August. Lake Houston Pump Station (LHPS) pumped 1.4 billion gallons in August. August average daily production was at 44 MGD (42 MGD in July). The LHPS pool elevation is at 38.85 ft. (msl) which is down from normal pool of 44.5 ft. and is holding steady. Lake Conroe is at 195.61 ft., down from normal pool of 201 ft. and releasing 150 MGD. Lake Livingston is 127.84 ft. down from a normal pool of 131 ft. and

releasing 1500 cfs (970 MGD). All other pressures and levels are normal. Mr. Berry referred the Board to the City of Houston Daily Water Supply Monitor Website (<http://www.publicworks.houstontx.gov/utilities/dwsm.html>).

Mr. Berry informed the Board that on August 10 – 11, TCEQ conducted Dam Safety Inspections on the Bayport Reservoir, Lake Houston Dam, and Lynchburg Reservoir. Mr. Berry stated that there were dry cracks in the Bayport area however, no major deficiencies were noted.

Mr. Berry stated that water projections for 2012 have been forwarded to the City of Houston to begin CWA's budget process. These projections are the basis for two of our major cost items which are chemicals and electricity.

Maintenance

Routine maintenance activities included cleaning siphons, right-of-way mowing and removal of canal vegetation. CL2 and NH3 analyzers at LPS, EWPP, and SEWPP were cleaned and calibrated. Dredge spoil area at TRPS was graded and reshaped. Fencing was repaired and/or replaced on right-of-ways. Two pipeline leaks in the Bayport System were repaired, and air vacuum valves on A and C systems were flushed.

Mr. Berry noted that the removal of algae from the West Canal continues to be a labor intensive task. The West Canal was shut down for (12) hours on August 3, 9, and 23 to help kill algae for removal. CWA staff installed a water spray system on top of the C System VFD houses to help the A/C units work better in the extreme heat by keeping the head pressure down. Coastal Switchgear performed quarterly VFD maintenance and inspections.

B. Red Bluff Water Treatment Plant Improvements.

Mr. Berry reported the completion of the following major work items:

- Startup new Filter 111.
- Set Filter 110.
- (4) New filters are now in place – (3) New filters are in service.
- Plant is now 90% under SCADA monitoring and control.

Major work items for September (and beyond) include, commission new on-line analyzers, startup/commission new Filter FL-110, continue training on SCADA/Instrumentation, and complete small work items. Projected Substantial Completion is now early October.

Mr. Berry stated that we are currently ahead of schedule and on budget. Time used has been (238) days (72.3%). The billing to date is at 94.1% of the approved expenditure.

C. NRG Commencement Test of Backup Power at Trinity River Pump Station.

With reference to the Trinity River Pump Station, Mr. Berry stated that NRG began a (9) step process for testing and acceptance on September 6th. Steps 1-7 are NRG's internal testing of NRG equipment, controls, and logic. Steps 1-5 were completed on September 9th. Step 8 is the "Commencement Test", a three part system operational test at full load which began on September 13th. The generators performance met acceptance criteria allowing CWA to meet or exceed pumping requirements for the emergency maximum daily demands required under our Emergency Preparedness Plan. Step 9 returns the system to stand-by. If the commencement test is successful, CWA has (5) days to issue a letter of acceptance, which may include punch list items, or non-acceptance. Once a letter of acceptance is issued, the start of payment for monthly rental fees will begin. Mr. Berry noted to the Board that we are not buying generators or equipment; we are buying services under the contract. Therefore, our interest lies in whether NRG is able to provide that service and if their interconnection to that system is operating in a safe manner. Mr. Thomas stated that from an engineering standpoint, we are concerned with the interface of CWA's electrical equipment. Mr. Council asked Mr. Berry if after the (4) hour testing he felt comfortable that CWA's requirements had been met. Mr. Berry responded that he did, but they have some more work to do in getting the switching equipment to operate remotely and automatic. Until these issues are resolved, the switching has to be done manually. Mr. Walker asked about the fuel degradation. Mr. Berry stated that the fuel treatment and additives to prevent degradation is addressed in NRG's contract. NRG is responsible for additives and filtering as may be required to prevent fuel degradation. They are also required to maintain, on site at all times, a 24-hour supply of fuel for the generators under full load. Upon commencement of a storm event period, they are required to have a 48-hour fuel supply on hand at each site. Based on the operational testing under full load and the measured fuel consumption rate, the generators' run time with on-site fuel storage at 1,100 gallons per generator, will exceed 48-hours. Mr. Nash asked about the re-supply plan. Mr. Berry stated that they have arranged for a sub-contractor to deliver that fuel within (48) hours. Mr. Walker stated that he felt CWA needed to get comfortable with the fuel degradation and re-supply plans. Mr. Chang stated that NRG's contract has a provision stating if they fail to provide the service within the stated period of time, then we will have the option to obtain the service and they (NRG) will have to pay for it. Mr. Council asked Mr. Berry to check further into the fuel issues and update the Board on his findings.

MOTION authorizing the Interim Executive Director to review and issue a "Notice of Acceptance" with or without punch list items or a "Notice of Non-Acceptance", as appropriate, to NRG Energy Services, LLC for the installation of Utility-Grade Backup Electric Power at the

Trinity River Pump Station Site based on the Acceptance Criteria in Section 2.2 of the Electricity Reliability Service Agreement.

Motion made by Director Conner, Seconded by Director Zarinkelk, Motion Carried Unanimously

D. NRG Activities at Lynchburg Pump Station.

Mr. Berry stated the NRG (Spaw-Glass) activities and schedule is as follows:

- 30 generator sets and step-up transformers have been installed.
- MVSG delivery to LPS on September 15th.
- Lynchburg Reservoir road improvement work was completed on September 9th.
- Anticipated completion and system operational test has slipped into October/November 2011.

Mr. Nash asked what the approximated elevation of the generators was. Mr. Berry stated that he would get that information for the Board but thought it to be at (12) or (13) feet and were located inside of the flood wall.

E. Lake Houston Invasive Species Vegetation Survey.

Mr. Berry referred the Board to the Atkins' Report and stated that at the request of the City of Houston (COH) and per the approval of the Board, Atkins conducted an Invasive Species Vegetation Survey of Lake Houston on August 17th. In summary, the conclusion reached was that if CWA and the COH choose to treat the vegetation found along the shoreline with herbicide, Atkins can perform the task under their current contract at the negotiated rates for herbicide and labor. Ms. Zarinkelk asked if the required airboats that were noted in the report were included in Atkins contract price. Mr. Berry stated they are a unit price item in the Atkins contract, but were not used for this survey. The COH provided the air boats. Mr. Berry concurred with the Atkins' Report that no further action is recommended.

F. Award of Contract to Furnish Liquid Chlorine for a One-Year Period Beginning October 1, 2011.

Mr. Berry stated that (2) bids were received. Mr. Berry noted that this price is a decrease from last year's price causing a decrease in the budget of approximately \$75,000.00. Mr. Berry recommended that the Board approve the Motion as stated below.

MOTION accepting the bid of \$422.66 per ton from Altivia Corporation to furnish and deliver liquid chlorine to the Lynchburg Pump Station and the Red Bluff Water Treatment Plant for a one-year period beginning on October 1, 2011, as the bid that is the most advantageous to the Authority and will result in the best and most economical completion of the Authority's work.

Motion made by Director Walker, Seconded by Director Zarinkelk, Motion Carried Unanimously.

G. Award of Contract to Furnish Aqua-Ammonia for a One-Year Period Beginning October 1, 2011.

Mr. Berry stated that (3) bids were received. Mr. Berry noted that this was an increase of last year's price causing a net increase for the year of approximately \$39,000.00. Ms. Zarinkelk asked if Mr. Berry knew why there was an increase. Mr. Berry stated that he believed the fuel cost for trucking may have had an impact on the bid prices. Mr. Berry recommended that the Board approve the Motion as stated below.

MOTION accepting the bid of \$167.43 per ton from Southern Ionics, Inc. to furnish and deliver Aqua Ammonia to the Lynchburg Pump Station for a one-year period beginning on October 1, 2011, as the bid that is the most advantageous to the Authority and will result in the best and most economical completion of the Authority's work.

Motion made by Director Conner, Seconded by Director Walker, Motion Carried Unanimously

VI. BUSINESS REVIEW – John J. Baldwin

A. Monthly Financial Statements for the previous month.

Mr. Baldwin informed the Board that the cash flows on each of the Operating Funds are doing well as far as revenues and reimbursements for the period ending August 31st. The expenses at Bayport are running slightly under budget and revenues are slightly up. The Treatment Plant is running right at forecasted usage for expenditures and revenues. At year end the challenge on the Trinity River budget is the cost of electricity usage at the Lynchburg Pump Station. That cost is running 15% more than normal compared to last year's budget due to the current dry weather and the prolonged drought conditions. The offset of this cost is coming from other budgeted costs not being incurred in the Trinity River budget, primarily the delay of the NRG implementation (leasing costs). Leasing costs with NRG at Trinity River may happen at the end of this month, and leasing costs at Lynchburg will probably occur in November. Mr. Baldwin noted that a budget concern being discussed with the City of Houston would be factoring in the impact of possible continuation of drought conditions on next year's budget forecast, particularly the cost of electricity. The Trinity River Project Budget forecast for this year-end will probably be close to budget or slightly under. Lake Houston currently has cost avoidance on budgeted vegetation control usage and debris removal along the dam. Bayport is running slightly under budgeted expenses and Red Bluff is running right at budget expenses.

B. Electricity Contract Procurement.

Mr. Baldwin stated that on Monday, September 12th, (8) responses were received on our electricity procurement proposal with indicative pricing for

a twelve month, a twenty-four month, and thirty-six month terms to begin July 1, 2012. The twelve month proposals were tightly grouped and approximately 25% less than the current rates. Mr. Baldwin noted that the indications at this point are that the markets will remain stable on the cost of natural gas and electricity pricing through October 2011. Mr. Council asked about the response to the MWDBE participation. Mr. Baldwin stated that proposals were received in the afternoon of September 12th and copies have been distributed to the team members (LAN and V&E) for review. The proposals included MWDBE proposals that ranged from identified participation to commitments to make good faith efforts.

Mr. Baldwin stated that the team should have a final pricing response to bring before the Board in October.

C. Amended Coastal Water Authority Investment Policy.

Mr. Baldwin reviewed the changes to the Policy which included removing the job descriptions of the Executive Director and Chief Financial Officer and merit pay discussions and placing them in a separate document for consideration. We have added the Operations Manager as an individual with signatory authority in the event of the vacancy either in the Executive Director or Chief Financial Officer positions and updated the authorized investments to reflect recent changes to the Public Funds Investment Act by the Texas Legislature. There was also the addition of two new funds which occurred as a result of the Refunding Bond issue completed in late 2010.

The list of authorized brokers/dealers was not recommended to be amended this year.

MOTION approving a Resolution adopting an Amended Investment Policy, Cash and Management Procedures and the list of Qualified Broker/Dealers of the Coastal Water Authority.

Motion made by Director Zarinkelk, Seconded by Director Walker, Motion Carried Unanimously.

D. Resolution designating Authorized Signatures for Coastal Water Authority Investment Transactions.

Mr. Baldwin stated this Resolution formally restates a policy adopted in 1992 requiring confirmation in writing with two signatures of two designated officials of the Coastal Water Authority.

MOTION approving a Resolution Designating Authorized Signatures for Coastal Water Authority Investment Transactions.

Motion made by Director Conner, Seconded by Director Walker, Motion Carried Unanimously.

E. Audit Engagement – 2011 Coastal Water Authority Pension Plan.

Mr. Baldwin noted that he is still in discussions with McConnell & Jones, LLP on the Plan, therefore this item would be deferred to the October Board Meeting.

VII. DISBURSEMENTS – John J. Baldwin

Mr. Baldwin stated that the disbursements to be approved by the Board included: the Bayport Capital Improvement Fund – in the amount of \$56,300.91, Construction Fund – Series 2009 (Luce Bayou Project) – in the amount of \$105,161.97, Construction Fund – Series 2010 (Luce Bayou Project) – in the amount of \$41,495.32, the Lake Houston Construction Fund – in the amount of \$11,578.32, the Luce Bayou – Land & Mitigation Fund – in the amount of \$155,312.26, the Red Bluff Water Treatment Plant Fund – in the amount of \$440,983.99, and the Special Project Equity Fund - in the amount of \$17,437.94.

Mr. Baldwin noted that the Lake Houston Construction Fund was closed out as the project has been completed, and that the \$8,054.12 listed for disbursement approval would be refunded to the City of Houston.

MOTION approving disbursements to be approved by the Board included: the Bayport Capital Improvement Fund – in the amount of \$56,300.91, Construction Fund – Series 2009 (Luce Bayou Project) – in the amount of \$105,161.97, Construction Fund – Series 2010 (Luce Bayou Project) – in the amount of \$41,495.32, the Lake Houston Construction Fund – in the amount of \$11,578.32, the Luce Bayou – Land & Mitigation Fund – in the amount of \$155,312.26, the Red Bluff Water Treatment Plant Fund – in the amount of \$440,983.99, and the Special Project Equity Fund - in the amount of \$17,437.94.

Motion made by Director Nash, Seconded by Director Zarinkelk, Motion Carried Unanimously.

VIII. OLD BUSINESS - John J. Baldwin

A. Environmental Mitigation of Gillette Street Property.

There were no updates on this item.

B. City Ethics Presentation on August 25, 2011.

Mr. Baldwin stated that the City Ethics Presentation that the (4) Mayoral Appointees and CWA Executive Staff were asked to attend has been postponed by the City of Houston; no new dates have been set. Mr. Baldwin will inform the Board once a new date has been confirmed by the COH.

C. Executive Director Transition and Selection Process.

Mr. Council stated the selection of the Executive Director would be discussed in Executive Session.

At this time Mr. Council moved Item XI (New Business) out of order.

XI. NEW BUSINESS – John J. Baldwin

A. Adoption of Coastal Water Authority Executive Officer Job Descriptions and a Review and Compensation Policy.

Mr. Frels reviewed the primary revisions of the Policy with the Board.

Mr. Nash requested that the SEALS' funds language be removed from the Policy, and also include the language stating that CWA would consider, "other engineering degrees", as a preference for the Executive Director qualifications rather than listing individual engineering degrees.

MOTION approving a Resolution establishing Coastal Water Authority Executive Officer Job Descriptions and a Review and Compensation Policy.

Motion made, subject to revisions, by Director Nash, Seconded by Director Walker, Motion Carried Unanimously.

B. Renewal of Agreement with PennComp, LLC for I/T Services.

Mr. Baldwin reviewed the annual I/T renewal agreement with the Board which would begin on October 1, 2011. Mr. Baldwin stated that this is the third year of our agreement with PennComp, LLC since the last Request for Proposals was conducted. The cost proposal reflected the same terms and conditions as the current contract with a price of a Not-to-Exceed amount of \$75,800.00. There is an additional amount to provide services related to the move of the downtown office system to the 1801 Main Street office system that will occur in February, 2012. The additional amount is proposed in the range of \$8,500.00 to \$10,000.00 for this one-time event. This results in a contract amount Not-to-Exceed \$85,800.00 for the next year.

There were no questions from the Board.

MOTION approving the renewal of an Agreement between Coastal Water Authority and PennComp, LLC for I/T Services for a 12- month period beginning October 1, 2011.

Motion made by Director Nash, Seconded by Director Zarinkelk, Motion Carried Unanimously.

IX. EXECUTIVE SESSION

Mr. Council stated that the Board would go into Executive Session at 11:08 A.M. and that:

EXECUTIVE SESSION WILL BE HELD PURSUANT TO THE PROVISIONS OF THE TEXAS GOVERNMENT CODE SECTION 551.071, 551.072, 551.074, 551.075 AND 551.076, CONSULTATION WITH ATTORNEY, ACQUISITION OF REAL PROPERTY, PERSONNEL MATTERS OR SECURITY MATTERS (PERSONAL, DEVICES AND/OR AGREEMENTS).

X. RECONVENE – OPEN SESSION

Mr. Council stated that no action was taken in Executive Session. Open Session was reconvened at 12:23 P.M.

Mr. Frels stated that the Board would consider a Motion to authorize the President of the Board of Directors to negotiate with the candidate for the Executive Director identified by the Board, and to take other necessary action in connection therewith.

Motion authorizing the President of the Board Of Directors to negotiate with the candidate for the Executive Director identified by the Board, and to take other necessary action in connection therewith.

Motion made by Director Conner, Seconded by Director Nash, Motion Carried Unanimously.

Mr. Baldwin informed the Board of a new state law which allows officials and employees to opt out from having their private information released in the event of a Public Information Act request. Mr. Baldwin gave each Director a Coastal Water Authority opt-out form to complete should they choose to do so.

Mr. Frels stated that as an information item, V&E has prepared a letter regarding CWA's eminent domain authority pursuant to the Board's direction at last month's meeting.

XII. ADJORNMENT

The Meeting was adjourned at 12:25 P.M.

[Signature Page Follows]

Zebulun Nash, Secretary-Treasurer