

**MINUTES OF THE
BOARD OF DIRECTORS MEETING OF THE
OTAY WATER DISTRICT and OTAY SERVICE CORPORATION
January 7, 2014**

1. The meeting was called to order by President Lopez at 3:38 p.m.

2. ROLL CALL

Directors Present: Croucher, Gonzalez, Lopez, Robak, and Thompson

Staff Present: General Manager Mark Watton, Asst. General Manager German Alvarez, General Counsel Dan Shinoff, Chief Financial Officer Joe Beachem, Chief of Engineering Rod Posada, Chief of Administration Rom Sarno, Chief of Water Operations Pedro Porras and District Secretary Susan Cruz and others per attached list.

3. PLEDGE OF ALLEGIANCE

4. PRESENTATION OF RECOGNITION PLAQUE TO BOARD PRESIDENT

Vice President Thompson presented a recognition plaque on behalf of the Board of Directors and staff to Board President Lopez to thank him for his leadership and dedicated service to the District during the past year. Director Croucher stated that it is a pleasure to serve on the board with President Lopez and thanked him for his knowledge and help over the years. President Lopez indicated he has been with the District thirteen (13) years and his goal for this year is for the District to stay on task and continue to improve and be a highly recognized agency not only in the County, but the State.

5. ELECTION OF BOARD PRESIDENT

A motion was made by Director Gonzalez, seconded by Director Croucher and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to re-elect Director Lopez as President.

6. ELECTION OF VICE PRESIDENT

A motion was made by Director Thompson, seconded by Director Croucher and carried with the following vote:

Ayes: Directors Croucher, Lopez, Robak, and Thompson

Noes: None
Abstain: Director Gonzalez
Absent: None

to elect Director Gonzalez as Vice President.

7. ELECTION OF BOARD TREASURER

A motion was made by Director Lopez, seconded by Director Croucher and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to elect Director Thompson as Treasurer.

8. APPROVAL OF AGENDA

A motion was made by Director Croucher, seconded by Director Gonzalez and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve the agenda.

9. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

Mr. Ben Kalasho, President of the San Diego East County Caldean American Chamber of Commerce, indicated that he wished to share with the District information about the Chamber and request that the District consider a membership with the Chamber. He stated that in the month and half that they have officially opened, they have signed 120 members to the Chamber which included various organizations, local dignitaries, community leaders, etc. He stated that approximately 80,000 Caldean Americans live in San Diego County with approximately 25,000 living in Rancho San Diego which is served by the Otay WD. He shared that a board member of Helix WD, Mr. Joel Scalzitti, has also joined the Chamber's board and that Chamber's board is made up of fifteen (15) members, with six (6) being Caldean.. He stated that they wished their organization to be inclusive and not exclusive to Caldeans to create a bridge between communities and various ethnicities. He indicated that it would be an honor for their Chamber to work with the District.

10. RECESS OTAY WATER DISTRICT BOARD MEETING AND CONVENE A MEETING OF THE OTAY SERVICE CORPORATION

The Otay Water District board meeting was recessed at 3:53 p.m. and a meeting of the Otay Service Corporation board was convened.

11. ROLL CALL

Directors Present: Croucher, Gonzalez, Lopez, Robak and Thompson

12. ELECTION OF OFFICERS: PRESIDENT, VICE-PRESIDENT, TREASURER, EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER AND SECRETARY

A motion was made by Director Croucher, seconded by Director Gonzalez and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to elect Director Lopez as President, Director Thompson as Vice President, Director Gonzalez as Treasurer, General Manager Watton as Executive Director, Joe Beachem as Chief Financial Officer and District Secretary Susan Cruz as Secretary.

13. ADJOURN OTAY SERVICE CORPORATION BOARD MEETING AND CONVENE THE OTAY WATER DISTRICT FINANCING AUTHORITY BOARD MEETING

President Lopez adjourned the Otay Service Corporation board meeting at 3:55p.m. and convened the Otay Water District Financing Authority board meeting.

14. ROLL CALL

Directors Present: Croucher, Gonzalez, Lopez, Robak and Thompson

15. RE-AFFIRM OFFICERS OF THE OTAY WATER DISTRICT FINANCING AUTHORITY

A motion was made by Director Thompson, seconded by Director Croucher and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to elect Director Lopez as President, Director Thompson as Vice-President, General Manager Watton as Executive Director, Chief Financial Officer Joe Beachem as Treasurer/Auditor, and District Secretary Susan Cruz as Secretary.

16. ADJOURN OTAY DISTRICT FINANCING AUTHORITY BOARD MEETING AND CONVENE THE OTAY WATER DISTRICT BOARD MEETING

President Lopez adjourned the Otay District Financing Authority board meeting at 3:56p.m. and reconvened the Otay Water District board meeting.

CONSENT CALENDAR

17. ITEMS TO BE ACTED UPON WITHOUT DISCUSSION, UNLESS A REQUEST IS MADE BY A MEMBER OF THE BOARD OR THE PUBLIC TO DISCUSS A PARTICULAR ITEM:

Director Robak pulled item 20a, APPROVE A PROFESSIONAL SERVICES CONTRACT WITH ATKINS NORTH AMERICA, INC. FOR THE 2015 WATER FACILITIES MASTER PLAN AND PROGRAM ENVIRONMENTAL IMPACT REPORT UPDATES IN AN AMOUNT NOT-TO-EXCEED \$434,731; 20e, ADOPT THE 2014 OTAY WATER DISTRICT LEGISLATIVE PROGRAM GUIDELINES; and 20h, APPROVE A THREE (3) YEAR AGREEMENT WITH AZTECA SYSTEMS, INC. IN AN AMOUNT NOT-TO-EXCEED \$230,000 FOR A LICENSING AGREEMENT FOR CITY WORKS SOFTWARE; AND AN AGREEMENT WITH THE TIMMONS GROUP IN AN AMOUNT NOT-TO-EXCEED \$370,000 FOR IMPLEMENTATION SERVICES FOR THE REPLACEMENT OF THE DISTRICT'S WORK MANAGEMENT SYSTEM, for discussion. Director Thompson pulled item 20b, APPROVE A CONSTRUCTION CONTRACT WITH ADVANCED INDUSTRIAL SERVICES, INC. FOR THE 624-2 RESERVOIR INTERIOR/EXTERIOR COATING AND UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$1,199,000, for discussion.

A motion was made by Director Thompson, seconded by Director Robak and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve the following remaining consent calendar items:

- c) APPROVE A CONSTRUCTION CONTRACT WITH COFFMAN SPECIALTIES, INC. FOR THE POTABLE WATER UTILITY RELOCATIONS ASSOCIATED WITH THE CALTRANS SR-11-SEQUENCE 1 PROJECT IN AN AMOUNT NOT-TO-EXCEED \$992,380
- d) APPROVE AN AGREEMENT BETWEEN THE SAN DIEGO COUNTY SANITATION DISTRICT (COUNTY) AND THE DISTRICT FOR

REIMBURSEMENT TO THE COUNTY FOR THE DESIGN AND CONSTRUCTION COSTS ASSOCIATED WITH THE RANCHO SAN DIEGO PUMP STATION REHABILITATION PROJECT; AND APPROVE AN INCREASE IN CIP BUDGET S2027 IN THE AMOUNT OF \$600,000, INCREASING THE OVERALL CIP BUDGET FROM \$2,900,000 TO \$3,500,000

- f) ADOPT ORDINANCE NO. 540 TO AMEND THE DISTRICT'S CODE OF ORDINANCES SECTION 3.06 (C), WITHDRAWAL OF FUNDS, TO ALLOW FOR DELEGATES APPROVAL OF THE RELEASE OF PAYMENTS THAT WILL INCREASE THE EFFICIENCY AND PRACTICALITY OF THE DISTRICT'S OPERATION
- g) APPROVE A PURCHASE ORDER TO NEXUS, INC. IN THE AMOUNT OF \$204,850.50 FOR THE PURCHASE OF INFORMATION TECHNOLOGY NETWORK EQUIPMENT AND SERVICES

President Lopez presented Item 20a for discussion:

- a) APPROVE A PROFESSIONAL SERVICES CONTRACT WITH ATKINS NORTH AMERICA, INC. FOR THE 2015 WATER FACILITIES MASTER PLAN AND PROGRAM ENVIRONMENTAL IMPACT REPORT UPDATES IN AN AMOUNT NOT-TO-EXCEED \$434,731

Engineering Manager Bob Kennedy indicated that staff is requesting that the board authorize a contract with Atkins North America, Inc. (Atkins) to assist the District in updating its Water Facilities Master Plan for 2015 and Program Environmental Impact Report. Please reference the Committee Action notes (Attachment A) attached to staff's report for the details of Mr. Kennedy's report.

Director Robak inquired what staff thought was unique about Atkins in that they felt they had the best approach and would provide the best overall value to the District. Mr. Kennedy indicated that Atkins had prepared the District's last update five years ago and, thus, they have extensive knowledge of the District. When the panel interviewed Atkins, it was very apparent that they were well ahead of the other firms in terms of their knowledge as they already knew what potential CIP's they would need to review. Also, Atkins has extensive knowledge on the development side because they do work for many of the developers that the District works with which exposes them these developers long range plans. Because of this, staff felt that they would be able to complete a comprehensive update more quickly than the other firms.

In response to another inquiry from Director Robak, Mr. Kennedy indicated that when there were substantial increases in the densities of developer projects, the District requested that the Developers pay for a consultant to update the District's Master Plan to reflect the new increased project densities. This occurred twice, once for the City of San Diego with regard to the Otay Mesa area and the second instance was when the densities in the several of the Otay Ranch planning areas were intensely increased. The Developer selected the consultant they wished to

handle the update and provided the revised documents to the District. It just happened in both occasions that Atkins was selected to handle the update.

General Manager Watton indicated that the Master Plan is foundational to the Environmental Impact Report and in showing the nexus between the cost of infrastructure and developer fees.

Mr. Kennedy indicated in response to a question from Director Thompson that due to Atkins knowledge, there would be savings in staff time. One of the items that staff looked for in the interviews is the strength of the people that are proposing on the project, the project manager and support staff. It was felt that HDR had a strong project manager; however, her support staff was very inexperienced and did not contribute in the interview portion of the selection process. Because of this observation, staff felt that HDR may not be able to complete the document satisfactorily.

A motion was made by Director Robak, seconded by Director Lopez and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve staffs' recommendation.

President Lopez presented Item 20b for discussion:

- b) APPROVE A CONSTRUCTION CONTRACT WITH ADVANCED INDUSTRIAL SERVICES, INC. FOR THE 624-2 RESERVOIR INTERIOR/EXTERIOR COATING AND UPGRADES PROJECT IN AN AMOUNT NOT-TO-EXCEED \$1,199,000

Director Thompson inquired, with regard to the solicitation for bids, if the District could indicate in the RFP that if the delivery of bid materials is late due to a delivery service (UPS, Fed-X, etc.), that the deadline would automatically be extended or possibly the District could push back the time to open bids to later in the afternoon. He indicated that he would like to avoid rebidding projects due to delivery services being late. Assistant Civil Engineer II Kevin Cameron responded that the deadline was moved from 2:00 p.m. to 3:00 p.m. on the bid opening day. He stated that bidders wish to know the outcome of the bid on the same afternoon of the bid opening, so moving the time to 5:00 p.m. would not allow staff to get the information out on the same day. He indicated that bids must be opened at a specific time and the time must be indicated in the bid documents. Director Thompson requested that staff review this issue to avoid having to rebid projects in the future due to a delivery issue.

A motion was made by Director Thompson, seconded by Director Robak and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve staffs' recommendation with the understanding that staff will review the issue concerning delivery services to minimize their impact on the bid process.

President Lopez presented Item 20e for discussion:

e) ADOPT THE 2014 OTAY WATER DISTRICT LEGISLATIVE PROGRAM GUIDELINES

Director Robak indicated that he wished to just comment that he would like to see more regular legislative updates, possibly quarterly, to keep the board updated on legislative issues. General Manager Watton indicated that once the Legislative session starts, staff will provide an update for the board on legislative matters.

A motion was made by Director Robak, seconded by Director Lopez and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve staffs' recommendation.

President Lopez presented Item 20h for discussion:

h) APPROVE A THREE (3) YEAR AGREEMENT WITH AZTECA SYSTEMS, INC. IN AN AMOUNT NOT-TO-EXCEED \$230,000 FOR A LICENSING AGREEMENT FOR CITY WORKS SOFTWARE; AND AN AGREEMENT WITH THE TIMMONS GROUP IN AN AMOUNT NOT-TO-EXCEED \$370,000 FOR IMPLEMENTATION SERVICES FOR THE REPLACEMENT OF THE DISTRICT'S WORK MANAGEMENT SYSTEM

Information Technology Manager Adolfo Segura indicated that this item is a request that the Board approve the replacement of the work order system. He indicated that the original work order system, GBA Work Order System, was implemented in 2006. The implementation of this software moved the District from paper based work orders in the field and other operational work to a computerized maintenance management system. The GBA Work Order System worked well, however, the District is moving toward integrating work order lifecycle elements with inspections and capital planning. To continue to utilize the GBA Work Order System, the District would need to build or buy

middleware/bridge pieces to integrate the systems. Staff is proposing an agreement with Azteca Systems which will provide the District the benefit to leverage its GIS investment and integration with the District's financial systems. Staff has been working on this solution for about two (2) years now. Please reference the Committee Action notes (Attachment A) attached to staff's report for further details of Mr. Segura's report.

A motion was made by Director Robak, seconded by Director Thompson and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve staffs' recommendation.

ACTION ITEMS

18. BOARD

Director Thompson requested that the Board consider discussing item 20b next as a representative of the proposed audit firm is in attendance of the District's meeting.

- b) AWARD A CONTRACT TO AN ACCOUNTING FIRM TO SERVE AS THE DISTRICT'S AUDITORS FOR THE FISCAL YEAR ENDING JUNE 30, 2014; THE CONTRACT WILL BE FOR ONE (1) YEAR WITH FOUR (4) ONE-YEAR OPTIONS SUBJECT TO THE BOARD REVIEW AND APPROVAL

Finance Manager Kevin Koeppen indicated that staff is requesting that the board award a contract to an accounting firm to serve as the District's auditors for the fiscal year ending June 30, 2014. Mr. Koeppen introduced Mr. Richard Teaman, Teaman, Ramirez & Smith, who gave a brief background on his firm. Please reference the Committee Action notes (Attachment A) attached to staff's report for further details of Mr. Koeppen's report and Mr. Teaman's presentation.

Director Thompson indicated that the District's Finance, Administration and Communications Committee felt that Teaman, Ramirez & Smith was very qualified. The District was very fortunate that their firm wished to increase its presence in San Diego County as it provided for the District to receive a very competitive price for their services.

A motion was made by Director Robak, seconded by Director Thompson, and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None

Absent: None

to appoint the firm of Teaman, Ramirez & Smith as the District's auditor for Fiscal Year 2014.

- a) APPROVE AN AGREEMENT WITH TECHNOSION, INC. FOR A THREE (3) YEAR LICENSING AGREEMENT FOR GE iFIX SCADA SYSTEM AND IMPLEMENTATION SERVICES FOR THE REPLACEMENT OF THE DISTRICT'S SCADA SYSTEM IN AN AMOUNT NOT-TO-EXCEED \$415,000

IT Manager Segura indicated that staff is requesting the board's authorization to replace the District's SCADA system. The SCADA System provides critical services that includes remote data collection, system monitoring and operational control function of water distribution assets. Please reference the Committee Action notes (Attachment A) attached to staff's report for further details of Mr. Segura's report.

Director Croucher inquired if the District has reached out to any of the surrounding agencies to form partnerships so our systems are compatible to allow the agencies' systems to "talk" together, which would allow for the sharing of information, or if it was felt that it was not important to do so. Mr. Segura indicated that the GE iFIX SCADA system is utilized internationally. It is deployed in over 80 countries around the world and is used by major companies like General Electric. He stated that there are 20 to 30 vendors in Southern California who could support this system. Mr. Segura indicated that there is no standard among the agencies and systems can be very simple to much more complex (a \$200,000 system versus a \$2 million system). Staff noted that the District's SCADA System is separate and is not connected to any of the District's systems or internet for security purposes. Also, each agency has its own architecture for the design and operation of their system and in an emergency it would be difficult for agencies to decipher one another's system or even to merge the systems.

In response to an inquiry from Director Robak, Mr. Segura indicated that the SCADA Replacement Project is under budget. The project involves the replacement of the software and a request for professional services for the implementation of the new system. The District will also purchase new servers that will run the new system. Staff indicated that there are actually four (4) different SCADA related project budgets that are combined for this project: 1) \$600,000 was budgeted for the SCADA System replacement; 2) \$160,000 for the Firetide Radio installation; 3) \$165,000 for the three-day battery back-up; and 4) \$70,000 for sensors for the generator fuel levels which allows staff to monitor when generators require fuel. The PLC field devices (with useful life) will remain in production to communicate with the new SCADA software. Staff also indicated that the main concern with the existing software is it is no longer supported. The new software will also provide additional capability. With the implementation of the software, the project will be completed. As with other systems, it will require maintenance, updates, patches, etc.

A motion was made by Director Robak, seconded by Director Thompson, and carried with the following vote:

Ayes: Directors Croucher, Gonzalez, Lopez, Robak, and Thompson
Noes: None
Abstain: None
Absent: None

to approve staffs' recommendation.

c) DISCUSSION OF 2014 BOARD MEETING CALENDAR

There were no changes to the board meeting calendar.

INFORMATIONAL ITEMS

19. THESE ITEMS ARE PROVIDED TO THE BOARD FOR INFORMATIONAL PURPOSES ONLY. NO ACTION IS REQUIRED ON THE FOLLOWING AGENDA ITEMS.

a) REPORT ON DIRECTOR'S EXPENSES FOR THE 1ST QUARTER OF FISCAL YEAR 2013

The board waived presentation and recommended that the report be received and filed.

REPORTS

20. GENERAL MANAGER'S REPORT

General Manager Watton presented his report which included the status of the District's fire suppressions system, Strategic Plan, 2010 A&B Bonds Arbitrage Rebate Calculation, Rosarito Beach Desalination Project, CWA's request for electrical services, and Mexico's request for water flows and renewal of the agreement for water delivery.

SAN DIEGO COUNTY WATER AUTHORITY UPDATE:

General Manager Watton indicated that the MWD versus CWA lawsuit was heard in December and the court has not yet made a decision. He indicated that it is a very complex litigation that has been ongoing for approximately three (3) years. There will be post hearing filings in the next week while the judge's ruling is waited upon. It was noted that whatever the judge rules, the decision will be appealed. Mr. Watton indicated that Director Robak had asked about the total cost CWA has spent on the lawsuit. He stated the District is not yet aware of the exact cost, but will receive the information from CWA soon, possibly the end of January or the first part of February. He stated that MWD has probably spent \$16 million in total expenses and CWA has spent approximately \$8 million. He

lastly shared that the desalination rate will become the focus at CWA over the next six (6) months.

Director Croucher also reported with regard to CWA that he attended the Colorado River Users Conference last month. He stated that the conference presented information on the importance of relationship building and working together. He indicated that it was chaired by one of the Tribal Nations and the ten Tribes presented quite a bit of documentation and video showing how they are working together in and around the basin States which benefits the communities, the Tribes, water issues and the economy. He stated that the conference was very worthwhile. He stated that CWA is also focusing on the cost of service study for desalination, fiscal sustainability and what could be done to encourage all the agencies to develop local water resources. The same discussions are happening between MWD and CWA with regard to being able to show independence with regard to water resource availability

He also shared that he and General Manager Watton had met with CWA's General Manager, Ms. Maureen Stapleton, and discussed the issues concerning the Colorado River. There was a positive discussion regarding the agencies working together on the desalination program and she asked what CWA can do, in terms in its resources, to help the Otay WD. He stated that it was an encouraging meeting.

21. DIRECTORS' REPORTS/REQUESTS

There were no Directors' reports.

22. PRESIDENT'S REPORT

President Lopez reported on meetings he attended during the month of November and December 2013 (a list of meetings he attended is attached).

RECESS TO CLOSED SESSION

23. CLOSED SESSION

The board recessed to closed session at 5:08 p.m. to discuss the following matters:

- a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION [GOVERNMENT CODE §54956.9]

2 CASES

RETURN TO OPEN SESSION

24. REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION. THE BOARD MAY ALSO TAKE ACTION ON ANY ITEMS POSTED IN CLOSED SESSION

The board reconvened at 5:50 p.m. and General Counsel Shinoff indicated that no reportable actions were taken in closed session.

25. ADJOURNMENT

With no further business to come before the Board, President Lopez adjourned the meeting at 5:50 p.m.

President

ATTEST:

District Secretary

President's Report
January 7, 2014 Board Meeting

A) Meetings attended during the Month of November 2013:

- 1) **November 1: Attended the Swear-In Ceremony for the Governor of Baja, California, in Mexicali.** Attendees: General Manager Watton, Chief of Engineering Rod Posada and the District's Bi-national Consultant Hector Mares
- 2) **November 6:**
 - a) **Met with CILA and IBWC regarding the Rosarito Desalination Project.** Attendees: Director Thompson, General Manager Watton, Chief of Engineering Posada and District consultant Pete Silva
 - b) **Attended the District Regular Board meeting.**
- 3) **November 15: Attended the Water Conservation Garden Donor Appreciation Event.**
- 4) **November 21:** Attended the CSDA Quarterly Dinner. Mr. Dan McAllister, SD County Treasurer/Tax Collector, provided a LAFCO and Sacramento legislature update. Attendees: Communications Officer Buelna

B) Meetings attended during the Month of December 2013:

- 1) **December 5: Attended a meeting of the Metro Commission:**
 - a) The Commission discussed and took action on the Joint Resolution Supporting Development of a Long-Range Regional Water Reuse Plan and Secondary Equivalency for Point Loma Wastewater Treatment Plant and discussed its FY 2014 Strategic Plan (see attached copy of agenda).
- 2) **December 6: Committee Agenda Briefing.** Met with General Manager Watton to review items that will be presented at the December Committee meetings.
- 3) **December 10: Attended a meeting of the Finance, Administration and Communications Committee.** Reviewed, discussed, and made recommendation on items that will be presented at the January 2014 board meeting.
- 4) **December 11: Attended the Water Conservation Garden Board Meeting.** (copy of agenda attached).

- 5) **December 17: Met with Mr. John Bolthouse, Executive Director of the Water Conservation Garden, to discuss a pilot program for the Garden.** Attendee: Director Thompson and General Manager Watton

- 6) **December 20: Board Agenda Briefing.** Met with General Manager Watton and General Counsel Dan Shinoff to review items that will be presented at the January Board Meeting.