"Friday Letter"
To the Board of Directors
June 8, 2012

From: Rick Howard, General Manager

General Manager/Administration:

- ✓ The draft capacity fee study was sent to me this week, and we are meeting with the consultant Monday to review the findings.
- ✓ With the Board action to initiate the capital financing program, we are gearing up for a very busy few weeks. This item will be on each of the next regular agendas until the financing has closed.
- ✓ Just an FYI – I will be spending Father's Day weekend with my children, returning to the office on Tuesday morning, June 19, 2012.

Water and Wastewater Services

- ✓ The Bio-solids project continues to move forward. There has been a flurry of activity and we continue to look towards a late summer completion date.
- ✓ The SSMP was submitted to the state prior to the June 9, 2012 deadline. I'd like to acknowledge the efforts of Gregory Harris, Berney Sandler and Virgil Koehne for making this happen in a relatively short period of time.
- ✓ Luhdorff and Scalmanini have the results from Well 5A and will be submitting their report to me next week. They are scheduled to address the Board of Directors and inform them of their findings at the next regularly scheduled Board meeting on June 20, 2012.
- ✓ Yesterday, our NPDES permit was modified pursuant to the State Water Board's staff's recommendation. As this is only a modified permit, beginning next March we will have to initiate the process of permit renewal for the next five (5) year cycle. The permit modifications did result in more flexibility for the District and we are very pleased with the results of yesterday's RWQCB meeting.

Financial Services

- ✓ The preliminary DRAFT Budget for FY 2012-13 was transmitted to the Board at their last meeting. There is a Budget Workshop scheduled for Wednesday, June 13, 2012 at 6:30 p.m. and staff is looking forward to discussing the spending plan and revenue projections for next year.

- ✓ As the Board is aware, and with the departure of our Office Assistant, Liz Hardy will be assuming a new role here at the office. As a consequence, Dina is in the process of interviewing potential candidates for the Sr. Account Clerk position. We hope to have a person on board in the next few weeks.

Parks and Landscape Services

- ✓ Cornell Park has been aerated, seeded and fertilized.

- ✓ As a reminder, I noted that the Clipper Drive landscape enhancement project will leap frog the Highway 4 improvements for the time being. Clipper Drive is scheduled to begin very soon. Both projects are being performed in-house.

Important Dates

Upcoming important dates are as follows:

- Special Budget Workshop – Wednesday, June 13, 2012 at 6:30 p.m.
- Lion's Club Concert on the Bay – Saturday, June 16, 2012 beginning at 5:30 p.m. – DB Marina
- Next CSD Regular Board Meeting – Wednesday, June 20, 2012 at 7:00 p.m.
- 2nd Annual Great American Campout – Saturday, June 23, 2012 at Cornell Park
- Annual Paddle for Fame and Community Concert – Saturday, June 30, 2012 – DB Marina
- CSD Regular Board Meeting – Wednesday, July 4, 2012– Cancelled
- CSD Regular Board Meeting – Wednesday, July 18, 2012 at 7:00 p.m.