

Manteca, California
February 13, 2007

The Board of Directors of the South San Joaquin Irrigation District met in regular session in their chambers at the hour of 9:00 a.m.

Upon roll call the following members were noted present:

DIRECTORS: DEGROOT KAMPER KUIL SCHULZ ROOS

Also present were Secretary/Manager Stroud, District Counsel Emrick, Water Treatment Plant Manger Hubkey, and Engineering Department Supervisor Bologna.

President Kuil called the meeting to order and asked for public comment. There being none he asked the Board to consider approving the Consent Calendar items as presented.

- A. SSJID Warrants of \$776,253.03 and Payrolls of \$233,228.24.
- B. SSJID Regular Adjourned Board Meeting Minutes of January 23, 2007
- C. SSJID Irrigation Service Abandonment Agreements as follows:

AGREEMENT #	ACREAGE	APN	OWNER
1528	36.45	245-090-06	Fields, Charles
1529	28.11	245-140-32	Bruns, Albert
1530	35.35	218-130-07, 08	Dramm Properties
1531	1.18	224-021-17	Aretakis, John
1532	.85	228-130-25	Van Staaveren, R.
1533	1.23	204-050-01	Rogers, Don
1534	.96	204-110-17	Beal, Kenneth

- D. Approve and Authorize filing of Notice of Completion for work on Joint Canal and Long Tunnel.
- E. Approve and Authorize filing of Notice of Completion for work on the U-3 Ranch Trestle Replacement (SSJ-2206-6)

Motion by Director Roos, seconded by Director Kamper, to approve the Consent Calendar Items as presented.

PASSED AND ADOPTED this 13th day of February 2007 by the following roll call vote:

Ayes: DeGroot Kamper Kuil Schulz Roos
Noes: None

Review and possible action regarding landowner Tony Mello's concerns as they relate to illegal trespassing on his property. Mr. Mello addressed the Board. He said the new chain we placed on the gate adjacent to his property is forcing vandals to cut his fence to access the road, his horses are getting out, and he will be liable if any accidents result from his horses running loose. He wants the District to remove the gate, or replace the chain with something less secure. He states this is the cause of the problem. The District informed Mr. Mello that the gate was installed to stop vandals from damaging the District's main canal and its access road. The Board said they understand his concerns but the District is not the source of the problem. Mr. Mello said if the Board refuses to remove the gate he has been advised by his attorney to sue the District because we are forcing vandals to cut his fence. No action was taken.

Consider authorizing the purchase of a spare Bailey Valve to control the flow rate for filling the water storage tanks. Hubkey said we need to have a spare on hand because the lead time for replacement is several weeks. Motion by Director Kamper, seconded by Director DeGroot, and unanimously carried to approve purchasing a spare Bailey Valve at \$7,175 plus tax and shipping.

Hubkey gave his Manager's report:

Storm sewer line break did not enter the reservoir.

Underwater Resources did an inspection and resubmitted their proposal increasing it from \$33,000 to \$45,000. Hubkey asked if it is alright to get the work done. It was the consensus of the Board that the work was previously authorized and is necessary to complete.

President Kuil asked the Board to consider approving Cancellation of Service Abandonment Agreements No 1064 and 1102 subject to staff recommendations. Motion by Director Schulz, seconded by Director Kamper, and unanimously carried, to approve cancellation of ISAA #'s 1064 and 1102 subject to staff recommendations.

Discussion and possible action concerning the start of 2007 water season and possible winter run. After considerable discussion it was the consensus of the Board not to have a winter run because approximately 2 inches of rain fell in the past week, and to tentatively set March 13 as the start of the 2007 irrigation season. No formal action was taken.

Consider adopting Resolution No 07-01-F, SSJID Investment Policy. Assistant General Manager Stein told the Board we are required to approve this resolution annually. He said there were some changes from last year. General Counsel Emrick said we incorporated the actual wording of California Government Code Section 53601 into the 2007 Policy. In the 2006 policy it referred to the Code, but did not have the actual wording. Motion by Director Roos, seconded by Director Schulz to adopt Resolution No. 07-01-F.

**RESOLUTION NO. 07-01-F
SOUTH SAN JOAQUIN IRRIGATION DISTRICT
INVESTMENT POLICY**

I. Statement of Purpose:

This Policy is to provide direction for the investments of funds which are directly managed by the District and establish reporting procedures for all investments for oversight review. The District treasurer is delegated the responsibility to invest and reinvest District funds and to sell or exchange District securities and to make periodic reports to the Board of Directors in accordance with this Investment Policy.

II. Investment Objectives:

The following are the objectives of the District's investment policy, in order of priority:

The primary investment objective is safety: It is the primary duty and responsibility of all persons directing investments to protect, preserve and maintain the principal from any loss by mitigating the two types of risk: credit risk and market risk. *The secondary investment objective is liquidity: An adequate amount will be maintained in liquid short terms securities which can be converted to cash as necessary to meet disbursement requirements.*

- A. The third investment objective is yield: Yield will be considered only after the basic requirements of safety and liquidity have been met.

III. Delegation of Authority and Investment Guidelines and Restrictions:

- A. District's funds shall be managed in a manner consistent with this Policy.
- B. The Treasurer is delegated the authority to invest or to reinvest the District's funds and to sell or exchange securities in accordance with this Policy until the delegation of authority is revoked or expires.
- C. General Guidelines:
1. The Treasurer will develop and maintain a cash flow analysis for

the projection of needed funds.

2. The Treasurer is authorized to invest that portion of or all of the District's funds not required for immediate use in the Local Agency Investment Fund (LAIF) and the investments authorized in this Policy, subject to such limitations as may be imposed by the Finance Committee or the Board of Directors. The Treasurer is authorized to utilize Crocker Securities LLC, or such other licensed investment advisor as may be authorized by the Finance Committee or the Board of Directors, to invest the District's funds not required for immediate use.

3. When banking transactions involve sums of money greater than \$100,000, the Treasurer shall take such steps to insure the depository bank maintains sufficient securities for the deposits as set forth in California Government Code section 53652. It is intended that bank deposits and balances in excess of \$100,000 are for short duration, e.g. 2 to 3 days before disbursements or transfers out are made. The Treasurer is authorized to waive security for deposits up to the amount that is insured by federal law, in the manner authorized by Government Code section 53653.

D. The following additional guidelines and restrictions shall be followed by the Treasurer when making investments:

1. All funds invested on behalf of the District will be managed to meet the requirements in Chapter 4 of Part 1, Division 2, Title 5 of the California Government Code, commencing with Section 53600 et seq., and this Policy.

2. The legal, final maturity of any single security within the portfolio will not exceed 5 years at purchase, with maturities laddered to protect against market swings.

3. The Weighted Average Life of the portfolio will not exceed 3 years.

E. The following are permitted investments:

Permitted investments under this policy are all investments authorized by California Government Code Section 53601, as amended from time to time, subject to the applicable limitations in that section and the other sections in Articles 1 and 2, of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code. The investments permitted by California Government Code section 53601 are enumerated below:

(a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

(e) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

(f) Bankers acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers acceptances may not exceed 180 days' maturity or 40 percent of the agency's money that may be invested pursuant to this section. However, no more than 30 percent of the agency's money may be invested in the bankers acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing any money in its treasury in any manner authorized by the Municipal Utility District Act (Division 6 (commencing with [Section 11501](#)) of the [Public Utilities Code](#)).

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization (NRSRO).

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.

(C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO).

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their money in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

(h) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by [Section 5102 of the Financial Code](#)), a state or federal credit union, or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's money

which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the money are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or any person with investment decision making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

(1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of any securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.

(2) Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

(3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:

(A) The security to be sold on reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.

(B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

(C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty by way of a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(4)

(A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may only be made upon prior approval of the governing body of the local agency and shall only be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.

(B) For purposes of this chapter, "significant banking relationship" means any of the following activities of a bank:

(i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.

(ii) Financing of a local agency's activities.

(iii) Acceptance of a local agency's securities or funds as deposits.

(5)

(A) "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery.

(B) "Securities," for purpose of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.

(C) "Reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.

(D) "Securities lending agreement" means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

(E) For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

(F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.

(j) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by a nationally recognized

rating service. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency's money that may be invested pursuant to this section.

(k)

(1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.

(2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 ([15 U.S.C. Sec. 80a-1](#) et seq.).

(3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) and with assets under management in excess of five hundred million dollars (\$500,000,000).

(4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

(5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge and shall not exceed 20 percent of the agency's money that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).

(l) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or

other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

(m) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

(n) Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency's surplus money that may be invested pursuant to this section.

(o) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (n), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (n), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

F. The Portfolio Performance Manager will provide to the Treasurer:

1. On at least a quarterly basis, the results of the portfolio performance. Investment performance to be measured against a commonly accepted market benchmark which approximates the specific restrictions on the portfolio. Consideration will be given to the extent to which the investment results are consistent with the investment objectives set forth in this policy.

2. On a monthly basis a report with at least the following information:

1. Description of investment
2. Date purchased

3. Maturity date
4. Amount of investment on a cost and on a current market basis
5. Coupon rate
6. Yield to Maturity at Purchase
7. A statement that all investments are in accordance with this Policy

G. The District's Finance Supervisor is empowered to transfer monies and make investments on behalf of the District in the absence, or at the direction, of the Treasurer subject to the limitations in these guidelines.

IV. Reporting Requirements

- A. The Treasurer shall submit to the Board of Directors on a monthly basis a report of the District's monthly investment transactions pursuant to Government Code §53607.
- B. The Treasurer shall prepare periodic reports (at least quarterly) for the General Manager and Board of Directors reflecting the details of investments, returns and balances. Supplemental or more frequent reports as requested by the Board or as determined by the General Manager or Treasurer will be prepared.
- C. The Treasurer shall annually render to the Board of Directors a statement of investment policy, which the Board shall consider at a public meeting. Any changes in the policy shall also be considered by the Board at a public meeting.
- D. On an annual basis the Treasurer will instruct the District's Auditor to perform a review of California Law and prepare a written report of all changes in the law for examination by the District's Finance Committee. Said reports shall contain the Auditor's recommendation for adoption of new investments, and shall be preceded with a brief summary relative to the effect of recent changes in Federal and State laws upon the District's Investment Policies, Objectives, Guidelines and Restrictions.

PASSED AND ADOPTED this 13th day of February by the following roll call vote:

Ayes:	DeGroot	Kamper	Kuil	Schulz	Roos
Noes:	None				

Consider awarding bid of \$274,758.19 to Pape Machinery to purchase a long reach excavator including the Tier 3 motor. Stroud said per Board request at the last meeting, he did a through cost comparison, between renting and buying a long reach excavator. Stroud said purchase of a long reach at \$275,000 is about \$13,750 per year based on a 20 year life. Renting is \$9,500 per month for 5 months the annual cost is \$47,500. Aside from major repairs the difference is \$32,250 per year. Major repairs would be significantly less than \$32,250 per year. After discussion the following action was taken. Motion by Director Schulz, seconded by Director Roos, to approve the purchase of the John Deere long reach excavator with a tier 3 motor from Pape Machinery. Motion carried three Ayes; Directors DeGroot, Schulz and Roos, and two Noes; Directors Kamper and Kuil.

Consider conceptual approval of request by Western Pacific Housing to acquire property interests of the District in conjunction with the required widening of Louise Avenue for the Rodoni Development in Manteca. Bologna said the City of Manteca is requiring the Developer to do road improvements. In order to comply, Western Pacific Housing will need to purchase a 22' x 30' piece of property owned in fee by the District. Using our Board approved formula, the price to purchase the 660 square feet is \$691.00, based on an average of \$184,210 per acre average sales in the area using our formula to discount the sale of property upon which new improvements have been installed within public

roadways. Bologna recommends conceptual approval of the sale, subject to the matter being brought back to the Board for adoption of a resolution outlining the terms and receipt of money. Motion by Director Roos, seconded by Director Kamper, and unanimously carried, to conceptually approve as recommended.

Review status of Solar Project and consider authorizing payment of deposit for the 2007 SGIP application. Shields said the amount required is \$31,500. He said District Counsel Emrick has done an economic model and had it reviewed by economists and the project is feasible with private investors. Director Kamper asked if we could use local developers. Shields said he has talked with two local developers and will continue the discussion. Shields asked the Board to approve the \$31,500 deposit. Motion by Director Kamper, seconded by Director DeGroot, and unanimously carried, to approve the deposit as recommended.

Shields reported that the APPA Conference is in San Antonio, Texas, June 23 through June 27, 2007. He asked the Board to think about whether they are going so reservations can be made.

Stroud reported the following:

Relative to copper wire thefts, we had another theft on drops 6 and 8, for an additional cost of \$3,000. We are looking at some security options and hopefully will come up with something that will help us. Currently we have spent approximately \$25,000 repairing the damage done by thieves.

John Briggs from the Maintenance Department was selected to fill the new Heavy Equipment Operator position for the Long Reach Excavator.

The Travaille's signed an agreement and it will be on the February 27 agenda for the Boards approval as soon as the Reece's sign.

President Kuil asked for Directors reports:

Director Kamper asked about the Wilma Overpass retaining wall. Stroud said it should be done by the 15th but he will have Robert Geer, our Facility Inspector check again.

Director Kuil asked about the automated gate. Stroud said Gilton indicated to him that he will be making that his next project.

President Kuil asked the Board to go to Closed Session relative to litigation matters. District Counsel reported the following items will be discussed.

Conference with legal counsel, existing litigation, Gov. Code, S. 54956.9

SSJID v LAFCo, Superior Court, San Joaquin County, Case No. CV 030255.
SSJI D v Meridian Pacific, et. al., Superior Court, San Joaquin County, Case No. CV 030855.

Conference with Real Property Negotiators:

Property: 786 Button Avenue, Manteca
Negotiators: Sam Bologna and Steve Emrick
Negotiating Parties: Christian Worship Center
Under Negotiation: Price and terms of payment for easement

Property: 249-160-22
Negotiator: Stevan Stroud
Negotiating Parties: Ron Polhemus
Under Negotiation: Price and terms of payment for fee purchase.

Upon returning from closed session General Counsel Emrick reported the following action was taken.

Motion by Director Kamper, seconded by Director Roos, and unanimously carried, to approve the agreement proposed by Lake Alpine Water Company and Alpine County to settle the District's protest of their Water Rights Application.

There being no further business to come before the Board it was moved by Director Roos, seconded by Director Kamper, and unanimously carried, to adjourn to February 27, 2007 at 9:00 a.m.

ATTEST:

John Stein, Assistant Secretary