

**HELIX WATER DISTRICT**  
*Setting standards of excellence in public service*

**MINUTES**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Wednesday, January 6, 2016 – 2 p.m.**  
**7811 University Avenue, La Mesa, CA 91942-0427**

1. President Verbeke called the regular board meeting to order at 2 p.m. The roll call showed a quorum of the board present: Directors Verbeke, Muse, Hedberg, Linden and Scalzitti.

Staff present: Lugo, Tomasulo, Stoia, Umphres, Bryant, Janzen, Curtis, Ross, Schuff, Lyford, Uhrhammer, Miller, Salois, Masterson and Annett. General Counsel Elizabeth W. Hull was also present.

At 3:02 p.m. the boardroom was filled with Helix Water District employees, retirees, and the family of Carlos V. Lugo in honor of his 25 year service award.

Others present: Customers Patrick Carroll, Tom Brady and Mark Gracyk.

2. Vice President Muse gave the invocation and led the Pledge of Allegiance.
3. General Manager Carlos V. Lugo reported there were no additions or deletions to the agenda. The agenda was approved unanimously.

Motion: Hedberg  
Second: Scalzitti

4. President Verbeke provided opportunity for members of the public to address the board on any item under the subject matter jurisdiction of the district. President Verbeke recognized Customer Patrick Carroll. Mr. Carroll stated his concern regarding a project in Division 1, he was responded to promptly by the general manager and project manager, but expressed disappointment over a lack of follow-up communication and customer service within the last 90 days. General Manager Carlos V. Lugo stated he would make an appointment with Mr. Carroll to discuss his concerns.
5. The consent agenda was approved unanimously.

Motion: Muse  
Second: Scalzitti

- a) The following operating account checks submitted for ratification were approved:

- i. list dated December 8, 2015
  - ii. list dated December 15, 2015
  - iii. list dated December 22, 2015
  - iv. list dated December 29, 2015
- b) Memorandum dated January 6, 2016, from the board secretary submitting expense and per diem claims was approved.
- c) The board approved the minutes of the adjourned regular board meeting and special board meeting of December 9, 2015 and the special meeting of December 11, 2015.
- d) The board received the reports for the month of November 2015:
- i. Claims Report
  - ii. Treasurer's Report
  - iii. Budget Summary
  - iv. Rainfall, Use and Storage Report
  - v. System Demand
  - vi. Conservation Status Report
  - vii. Monthly Demand Report
- e) The board adopted the following resolution:
- i. 16-01 declaring construction complete and authorize filing a notice of completion for Grossmont Hospital Phase 1, Work Order 2411

During discussion of the reports, Director of Administrative Services Lisa L. Stoia provided additional information regarding the \$4 million budget shortfall created by reduced water billing revenue. Ms. Stoia stated staff is managing the shortfall through deferred capital improvement projects and reduced operational expenditures for chemicals, water purchases and electricity. Staff is monitoring rainfall and will meet with the Committee of the Board on January 27, 2016, at 3 p.m. to discuss mid-year budget adjustments with the strategic work plan goals and objectives. Water Conservation Specialist Michelle M. Curtis reviewed the recent regional coordinated effort with the San Diego County Water Authority to prepare and send a letter on behalf of Helix Water District to the State Water Resources Control Board regarding the proposed regulatory framework. Ms. Curtis explained the proposed 4 percent maximum reductions. Director Hedberg stated she will be sending a personal email to the State Water Resources Control Board.

Director Scalzitti requested additional information regarding checks to Pacific refrigeration and A.O. Reed. Director Hedberg requested additional information regarding the claims report.

6. The board reviewed the San Diego Local Agency Formation Commission 2015 Special Districts election packet and completed three of the four ballots. The ballots were cast for Edmund K. Sprague as the regular LAFCO special district member; Joel A. Scalzitti as the alternate LAFCO special district member and John Pastore, Jack Bebee, Gary Croucher, Robert L. Thomas, Tom Kennedy, Thomas Pocklington, Kimberly A. Thorner and Erin Lump as the special districts advisory committee members. The votes for the three ballots mentioned above were cast unanimously. The ballot for the time extension for the regular LAFCO special district member was not cast.
7. The board adopted Resolution 16-02 declaring construction complete and authorized filing a notice of completion for pipeline project Grove Road, Merritt Drive, Windridge Drive and surrounding easements, Work Order 2578. The motion carried unanimously.

Motion: Muse  
Second: Linden

8. The board authorized the general manager to execute a contract amendment to the existing professional services agreement between Helix Water District and Christian Wheeler Engineering to extend the contract term for two years and authorized an additional contract amount not to exceed \$300,000 to perform construction testing services on an as-needed basis. The motion carried unanimously.

Motion: Scalzitti  
Second: Linden

Director Hedberg asked for clarification regarding change order accounting. General Manager Carlos V. Lugo and District Counsel Elizabeth W. Hull reviewed the process of amending a contract through a change order and stated the accounting is clear.

9. The board appropriated funds in the amount of \$30,000 from schedule 64, item 16 of the fiscal year 2015-16 capital budget for the construction of the Emerald Avenue water main looping project, Work Order 4350. The motion carried unanimously.

Motion: Linden  
Second: Muse

President Verbeke adjourned the meeting at 2:56 p.m. in preparation for the information items.

President Verbeke reconvened the meeting at 3:02 p.m.

**INFORMATION:**

- A. The board recognized recipients Byron Richardson and Louie Salas for the safety and suggestion awards for the period July 2015 through December 2015.
- B. General Manager Carlos V. Lugo received an award for 25 years of service with the district. He was joined by retirees, employees and family. President DeAna R. Verbeke introduced Mr Lugo, provided background information and presented a framed certificate. General Manager Lugo introduced his family, thanked the board, the executive team and the employees for their support.

President Verbeke adjourned the meeting at 3:22 p.m. for service award photographs. President Verbeke reconvened the meeting at 3:36 p.m.

- C. The board received an update and PowerPoint presentation regarding the recent emergency pipeline repairs of the raw water aqueduct 36 inch steel pipeline leak and the 20 inch steel pipeline leak at 8186 Fletcher Parkway.

**DISCUSSION:**

- A. President Verbeke shared a compliment from customer Janet Carroll congratulating Senior Public Affairs Representative Mike Uhrhammer for his work developing an easy to navigate district website. President Verbeke provided a spreadsheet with the annual committee/association designations and appointments. President Verbeke stated the board calendar is on the iPads and suggested directors provide their vacation dates to the board secretary for planning purposes. President Verbeke stated an annual list of agenda items will be placed on the iPads once staff reviews the document further. The board was reminded this will be a dynamic, changing document.
- B. No written reports were provided. Director Hedberg reported she attended the Colorado River Water Users Association conference in Las Vegas December 15 through 18, 2015. She stated the conversations surrounding water banking and working together were interesting. She toured Hoover Dam and reported that the energy pumping capacity was at 50 percent. Director Hedberg also reported attendance at the December 14, 2015 desalination dedication and thanked staff for the data regarding rebates. Director Scalzitti reported energy and power findings during the Hoover Dam tour in December. President Verbeke provided background information regarding the Joint Power Authority Water Conservation Garden Evaluation Committee's upcoming meeting.
- C. General Manager Carlos V. Lugo reported that he and President Verbeke met with Senator Joel Anderson regarding the proposed amendment to Proposition 218, Article 10, and stated his performance appraisal will take place in February and reviewed the notice of completions scheduled for the January 20, 2016 regular board meeting with informational updates regarding the Cayenta and electronic content management software. He also reviewed agenda items for the

January 27, 2016 Committee of the Board meeting and the February 3, 2016 regular board meeting.

- D. General Counsel Elizabeth W. Hull reported a settlement check for \$179,589 had been received with a larger additional settlement planned in February.

President Verbeke adjourned the regular board meeting at 4:23 p.m.

ATTEST:

  
Sandra L. Janzen, Board Secretary

  
DeAna R. Verbeke, President