

HELIX WATER DISTRICT
Setting standards of excellence in public service

MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, March 2, 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, Umphres, Stoia, Hayman, Janzen, Ross, Salois, Miller, Fox and Annett. General Counsel Elizabeth W. Hull was also present.

Others present: Customers Mark Gracyk, Larry Nichols, Gene Carpenter and Tom Brady. Reporter Karen Pearlman San Diego Union-Tribune was also present.

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: Scalzitti
Second: Linden

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. There was no one to be heard.
5. The consent agenda was approved unanimously.

Motion: Scalzitti
Second: Linden

- a) The following operating account checks submitted for ratification were approved:
- i. list dated February 16, 2016
 - ii. list dated February 23, 2016
- b) Memorandum dated March 2, 2016, from the board secretary submitting expense and per diem claims was approved.

- c) The board approved the minutes of the regular board meeting of February 17, 2016 and the minutes of the Committee of the Board meeting of February 24, 2016.
 - d) The board approved the following attendance consideration:
 - i. Defining the New Normal, Water Education Foundation
33rd Annual Executive Briefing, March 17, 2016 at 8 a.m.
DoubleTree by Hilton, Sacramento
6. The board appropriated funds in the amount of \$50,000 from schedule 64, item 28 of the fiscal year 2015-16 capital budget for the Aqueduct 2 pipeline condition assessment project, Work Order 4746. The motion carried unanimously.

Motion: Linden
Second: Scalzitti

Director Hedberg clarified that collaboration with San Diego County Water Authority would save the district money.

7. The board adopted Resolution 16-06 declaring construction complete and authorized filing a notice of completion for pipeline project 2579, Royal Road, Melrose Lane, Vista Del Cajon Road, Wonder Lane, Orange Vista Lane, Work Order 2579. The motion carried unanimously.

Motion. Linden
Second: Hedberg

8. The board authorized the President of the Board of Directors to execute the Fourth Amendment to the Employment Agreement between Helix Water District and Carlos V. Lugo. The motion carried 4:1

Motion: Muse
Second: Linden
Ayes: Verbeke, Muse, Linden, Scalzitti. Noes: Hedberg

Prior to the vote, President Verbeke opened public comments and requested Board Secretary Sandra L. Janzen read an email from Customer Curt Crook in opposition to a three-year contract for the general manager. Director Hedberg also provided an email for Ms. Janzen to read from Customer David Smyle objecting to a salary increase for the general manager. President Verbeke recognized Customer and Representative of the Grossmont – Mt. Helix Improvement Association Larry Nichols. Mr. Nichols objected to the three-year contract and 3 percent increase in pay each year.

Director Scalzitti clarified that the contract does not eliminate the district's ability to terminate the general manager with cause or prevent the general manager from leaving district employment. Director Scalzitti also clarified with General Counsel

Elizabeth W. Hull that the board maintains the opportunity to provide bonuses, but that they are not required, and that the contract did not include a cost of living adjustment. Director Hedberg stated she could not support a 3 percent raise each year and believed she was provided false information during a closed session meeting. Ms. Hull stated varying contracts were reviewed and the compensation was based on information provided by the board of directors.

Director Hedberg stated she would like to amend the motion on the floor, to limit the contract to one year, tabling the terms of the remaining two years of the contract. There was no second. The motion failed.

DISCUSSION

9. President Verbeke thanked staff for the CalPERS and other postemployment benefits funding level information provided during the Committee of the Board meeting of February 24, 2016. President Verbeke stated the San Diego County Water Authority named Mark J. Hattam as their new attorney. President Verbeke asked the board to submit their annual expectations for the general manager to Ms. Janzen.
 - a) President Verbeke shared comments from the public complimenting Inspector III Gregory D. Gibbs, Assistant Engineer Jeffrey J. MacMaster, the customer service department and the Lake Jennings staff.
10. President Verbeke and Director Linden provided written reports. Director Hedberg reported she attended the February 18, 2016, San Diego Regional California Special Districts Association meeting regarding cyber security and control systems and was impressed by the measures taken to ensure the safety of our water systems. Director Hedberg also stated seven videos were received for the CSDA video contest and requested the district host a celebration for the videographers in the boardroom. Director Linden and President Verbeke reported on preliminary discussions regarding Metropolitan Water District of Southern California's 2017 rates for untreated water may be 12 percent with the potential for additional fixed charges. A public hearing is scheduled for March 8, 2016 before the cost of service study is shared with the public. General Manager Carlos V. Lugo stated the district anticipated an 8 percent increase when preparing the five-year rates. President Verbeke requested a letter be sent to MWD.
11. General Manager Carlos V. Lugo detailed future board agenda items for March 16, March 23 and April 6, 2016.
12. General Counsel Elizabeth W. Hull had nothing additional to report.

President Verbeke adjourned to closed session at 2:53 p.m.

CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Existing litigation pursuant to Government Code §54956.9(d)(1)

Number of cases: 1

Williams v. Helix Water District

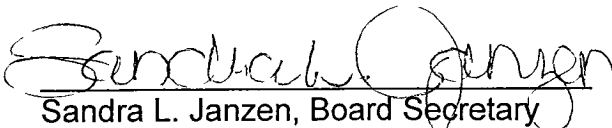
EEOC Claim Charge No. 488-2015-00606

San Diego Superior Court Case No. 37-2013-00073219 (Appeal)

President Verbeke reconvened open session at 3 p.m. There was no reportable action.

President Verbeke adjourned the regular board meeting at 3:01 p.m.

ATTEST:


Sandra L. Janzen, Board Secretary


DeAna R. Verbeke, President