

HELIX WATER DISTRICT
Setting standards of excellence in public service

MINUTES
FIVE YEAR PROJECTION WORKSHOP
SPECIAL MEETING OF THE BOARD OF DIRECTORS
Wednesday, May 11, 2016 – 5 p.m.
7811 University Avenue, La Mesa, CA 91942-0427

1. President Verbeke called the meeting to order at 5 p.m. The roll call showed a quorum of the board present: Directors Verbeke, Muse, Hedberg, Linden and Scalzitti.

Staff present: Lugo, Stoia, Tomasulo, Umphres, Bryant, Janzen, Masterson, Curtis, Olney, Salois, Uhrhammer, Fox, Lyford, Miller, Lawler, Doubrava, Pearce, Garuba, Kading. District Counsel Scott C. Smith was also present.

Others present: Customers Gordon Place, Larry Nichols, Dan McMillan and Radu Alexandru. Reporter Karen Pearlman San Diego Union-Tribune was also present.

2. The agenda was approved unanimously.

Motion: Linden
Second: Scalzitti

3. 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.

4. The board conducted the five year projection workshop, reviewed four scenarios and provided guidance to staff for updating the fiscal year 2016-17 water rates. Director of Administrative Services Lisa L. Stoia, Assistant Director of Administrative Services Jennifer C. Bryant and Senior Accountant Robert A. Masterson provided introductory comments, a PowerPoint presentation and answered all questions from the board of directors and customers, with the assistance of General Manager Carlos V. Lugo and Senior Public Affairs Representative Michelle M. Curtis.

Staff recommended the board proceed with Scenario 2 for budget development to implement a lower increase for customers than approved in the fiscal year 2015-16 five year projection and public rate hearing, while remaining within all fund guidelines and regulations. Staff stated Scenario 2 would allow the district to meet operating and capital needs.

President Verbeke recognized customers Gordon Place, Larry Nichols and Radu Alexandru. Mr. Place stated he has lost trees due to the drought and will be following the governor's conservation mandates. Staff reviewed the Proposition

218 process and the reasons for their recommendation of Scenario 2. Mr. Nichols requested clarification as to why staff was using 26 units per billing cycle in the presentation. Ms. Stoia explained this allowed for consistent and clear comparisons to prior years. Mr. Nichols also suggested an estimate of zero for capacity fees was unrealistic. Mr. Lugo reported this will be adjusted each year, but is difficult to predict at this time. Mr. Alexandru questioned the accuracy of the forecasts and received information regarding the five year rates and annual budget approval process.

Following board discussion, the board of directors requested staff proceed with a scenario that would assume customer water usage savings of 15 percent (in between scenarios 3 and 4).

President Verbeke adjourned the meeting at 6:30 p.m.

ATTEST:


Sandra L. Janzen, Board Secretary


DeAna R. Verbeke, President