

**HELIX WATER DISTRICT**

*Setting standards of excellence in public service*

**MINUTES**

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Wednesday, March 15, 2017 – 6 p.m.**

**7811 University Avenue, La Mesa, CA 91942-0427**

1. President Scalzitti called the regular board meeting to order at 6 p.m. The roll call showed a quorum of the board present: Directors Scalzitti, Hedberg, McMillan, Verbeke and Gracyk.

Staff present: Lugo, Miller, Olney, Stoia, Tomasulo, Janzen, Lundy, Garuba, Schipper, Salois, Annett and Baig. General Counsel Elizabeth W. Hull was also present.

Others present: Customer John L. Wood and N.T.C. Development Inc. representatives Michael Martineau and Kristine Alessio.

2. Vice President Hedberg 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: Verbeke  
Second: Hedberg

4. President Scalzitti 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: Verbeke  
Second: McMillan

- a) Memorandum dated March 15, 2017, from the board secretary submitting expense and per diem claims was approved.
- b) The board approved the minutes of the special board meeting of March 1, 2017, the regular board meeting of March 1, 2017, the Ad Hoc Committee meeting of March 6, 2017 and the special board meeting of March 8, 2017.

- c) The following operating account checks submitted for ratification were approved:
  - i. List dated February 28, 2017
  - ii. List dated March 7, 2017
  
- d) The board adopted the following resolutions:
  - i. Resolution 17-16 authorizing the partial quitclaim of an easement in the county of San Diego, state of California, assessor parcel number 488-134-30.
  
  - ii. Resolution 17-17 authorizing the quitclaim of three aligned easements in the county of San Diego, state of California, assessor parcel numbers 490-390-14 and 490-390-25.
  
  - iii. Resolution 17-18 authorizing the quitclaim of one aligned easement in the county of San Diego, state of California, assessor parcel numbers 485-302-01, 16, 27 and 28.
  
  - iv. Resolution 17-19 authorizing the utilities easement grant deed over district property in the city of La Mesa, county of San Diego, state of California, assessor parcel number 470-381-18.
  
- e) The board approved the following attendance considerations:
  - i. State of the District Address and Community Dialogue  
February 23, 2017 at 5:30 p.m.  
Lemon Grove Community Center, Lemon Grove, CA
  
  - ii. San Diego County Farm Bureau  
February 25, 2017 at 8 a.m.  
San Diego County Farm Bureau, Escondido, CA
  
  - iii. California Water Policy 26:  
Upstream, Downstream, We All Scream  
April 6 and 7, 2017  
Courtyard by Marriott, Liberty Station, San Diego, CA
  
- f) The board received the reports for the month of February 2017:
  - i. Treasurer's report
  - ii. Budget Summary

- iii. Rainfall, Use and Storage report
- iv. System Demand report
- v. Monthly Demand report
- vi. Conservation Status report

Director McMillan reviewed the Treasurer's report detailing the restricted deposits, certificate of deposits, accounts receivable and capacity fees with Director of Administrative Services and Treasurer Lisa L. Stoia. Director McMillan also noted that water billings are down and referred to the savings that runoff will provide.

**ACTION ITEMS**

6. The board adopted Resolution 17-20 authorizing the partial sale of approximately 31,400 square feet of a larger parcel of surplus property on High Street in the city of La Mesa, county of San Diego, state of California, portion of assessor parcel number 499-010-04. The board also declared that the funds from said partial sale are to be used for the maintenance of the larger parcel and remain with the larger asset. The motion carried unanimously.

Motion: Scalzitti  
Second: Hedberg

Senior Right of Way Agent/Environmental Analyst Debra S. Lundy provided a PowerPoint presentation. Directors Gracyk, Hedberg and McMillan asked clarifying questions regarding the appraisal; how the funds from the sale are utilized; and the location of the fence. President Scalzitti, General Manager Carlos V. Lugo and Ms. Lundy answered all questions. There were no public comments.

7. The board authorized the general manager to execute a four-year contract for trucking, hauling and soil separation services with McLeod Trucking of El Cajon in an amount not to exceed \$254,218. The motion carried unanimously.

Motion: McMillan  
Second: Hedberg

Director of Operations Kevin D. Miller and General Manager Carlos V. Lugo answered all questions regarding the reporting requirements to the Department of Industrial Relations, prevailing wage and owner/operator regulations. Director Gracyk and Director McMillan requested staff alert the board of directors if there are any changes in the laws surrounding prevailing wage in relation to owner/operators. There were no public comments.

## **INFORMATION**

8. The board received an update regarding the district's drought action plan for February 2017. Director of Administrative Services Lisa L. Stoia provided a PowerPoint presentation. The board of directors reviewed the rain totals for February and discussed the level restrictions of the El Capitan embankment dam under new seismic criteria. Director Gracyk requested details regarding the weather station used for the district's temperature reporting.

## **DISCUSSION**

9. President Scalzitti reported attendance at the March 14, 2017, Metropolitan Water District of Southern California Board of Directors meeting. President Scalzitti stated the meeting was interesting and quick and reported that most of the work is done within the committee meetings.

President Scalzitti requested Board Secretary Sandra L. Janzen thank Valve Maintenance Technicians Charles G. Marshburn and Nadir A. Baig on behalf of the board for the excellent professional service they provided to an 86-year old Helix Water District customer. Ms. Janzen shared quotes from Ms. Barbara Wallace's complimentary voicemail regarding the service her mother received.

10. Directors Scalzitti, McMillan, Verbeke and Gracyk provided written reports. Director Gracyk reported attendance at the Lemon Grove School District meeting on March 14, 2017 regarding lead testing in schools and explained this type of outreach must continue to build trust and rapport with Helix Water District customers. Director McMillan reported attendance at the East County Economic Development Council March 15, 2017; a meeting with the executive director of the Water Conservation Garden; detailed management decisions being made at the Garden to control costs; and reported 30 percent of Helix Water District customers participate in the Garden activities. Director McMillan clarified that district committee meetings would be discussed during the March 22, 2017 Committee of the Board meeting. Vice President Hedberg requested staff forward the article regarding lead testing at the La Mesa-Spring Valley School District and stated she will be meeting with President Scalzitti, General Manager Carlos V. Lugo, Director of Administrative Services Lisa L. Stoia and Senior Accountant Robert A. Masterson on March 16, 2017, at 11 a.m. to discuss the Government Finance Officers Association guidelines and principles for budget preparation. Director Verbeke requested the board evaluate the pros and cons of converting the budget to GFOA principles at a future board meeting.

Vice President Hedberg's San Diego County Water Authority report commended SDCWA staff for their impressive, in depth analysis of complicated issues.

11. General Manager Carlos V. Lugo reviewed the PowerPoint presentations from the San Diego County Water Authority's General Managers meeting. Mr. Lugo also detailed upcoming agenda items for the March 22, 2017 Committee of the Board meeting; April 1, 2017 board retreat at Lake Jennings; April 19, 2017 board meeting and the April 26, 2017 board meeting. Mr. Lugo reported that the April 5, 2017 board meeting may be cancelled due to the vacation schedules of both President Scalzitti and Director Verbeke but suggested the Ad Hoc Committee meet at 10 a.m. on April 5, 2017.
  
12. General Counsel Elizabeth W. Hull provided a printout of the PowerPoint slides covered during a recent webinar detailing the Supreme Court's decision in the city of San Jose regarding the public records act and reviewed what might be considered as private electronic communication. She stated Best Best and Krieger is working to develop a policy for 45 agencies including Helix Water District at a savings to the district. Ms. Hull provided three fliers entitled: "Is a Private Email a Public Record? Context Matters!"; "State Water Board Releases Draft Emergency Regulations Setting Fees For SGMA Intervention"; and "Sweeping Climate Change Resolution Adopted by California State Water Board." Ms. Hull also detailed President Trump's executive order regarding the Environmental Protection Agency's 2015 rulemaking on the term "Waters of the United States." Best Best and Krieger will evaluate current litigation and any potential impacts for the district.

**ADJOURNMENT**

13. President Scalzitti adjourned the meeting at 7:46 p.m.



Joel A. Scalzitti, President

**ATTEST:**



Sandra L. Janzen, Board Secretary