



Setting Standards of Excellence in Public Service

MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
Wednesday, July 12, 2017 - 6 p.m.
7811 University Avenue, La Mesa, CA 91942-0427

1. President Scalzitti called the special 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, Stoia, Olney, Janzen, Bryant, Ross, Annett, Salois, Garuba, Lyford and Fox. General Counsel Elizabeth W. Hull was also present.

Others present: Customers John L. Wood and Thom Rosenberger.

2. Director Verbeke 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: Gracyk

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. Mr. John L. Wood stated the district must continue to educate new customers regarding the need to conserve water.

5. The consent agenda was approved unanimously.

Motion: Gracyk
Second: Verbeke

- a) Memorandum dated July 12, 2017, from the board secretary submitting expense and per diem claims was approved.

- b) The board approved the minutes of the regular board meeting of June 21, 2017, the Committee of the Board meeting of June 28, 2017 and the closed session meeting of June 28, 2017.
- c) The following operating account checks submitted for ratification were approved:
 - i. List dated June 20, 2017
 - ii. List dated June 27, 2017
 - iii. List dated July 3, 2017
- d) Resolution:
 - i. The board adopted Resolution 17-40 declaring construction complete and authorized filing a notice of completion for Razuki Mall, Work Order 2150
- e) The board approved the following attendance considerations:
 - i. Lunch Meeting with District Counsel
June 27, 2017
7077 Friars Road, San Diego
 - ii. "What You Need to Know About California's Long-Term Water Use Efficiency Framework" Forum
June 29, 2017 at 10 a.m.
SDG&E's Energy Innovation Center, San Diego

ACTION ITEMS

6. The board appropriated funds in the amount to \$70,000 from schedule 76, items 1 and 2, of the fiscal year 2017-18 budget for the purchase of replacement vehicles. The motion carried unanimously.

Motion: Hedberg
Second: Verbeke

Facilities Manager Joseph J. Garuba presented the board report and answered all questions. There were no public comments. Director McMillan requested the board review the vehicle mileage policy. General Manager Lugo let the board know this topic would be addressed in the next Engineering and Operations Committee meeting.

7. The board appropriated funds in the amount of \$10,000 from schedule 64, item 26, of the fiscal year 2017-18 budget for the design of the administration office parking deck

coating system. The motion carried unanimously.

Motion: Hedberg

Second: Gracyk

Director of Operations Kevin D. Miller presented the board report and answered all questions. There were no public comments.

8. The board appropriated funds in the amount of \$85,000 from schedule 64, item 25, of the fiscal year 2017-18 capital budget for district crews to install a 10-inch pressure relief valve and related infrastructure at the Fletcher Hills 1 Pump Station, Work Order 4986. The motion carried unanimously.

Motion: Gracyk

Second: Verbeke

Director of Operations Kevin D. Miller presented the board report and answered all questions. There were no public comments.

9. The board appropriated funds in the amount of \$1,000,000 from schedule 64, item 16, of the fiscal year 2017-18 capital budget for district crews to replace small valves in accordance with the district's capital improvement program master plan, Work Order 4984. The motion carried unanimously.

Motion: Gracyk

Second: Hedberg

Director of Operations Kevin D. Miller presented the board report and answered all questions. There were no public comments. Director Gracyk stated the project was reviewed by the Engineering and Operations Committee on July 10, 2017.

10. The board appropriated funds in the amount of \$30,000 from schedule 64, item 24, of the fiscal year 2017-18 budget for the design of the R.M. Levy Water Treatment Plant administration building roof, HVAC and building control system. The motion carried unanimously.

Motion: McMillan

Second: Hedberg

Facilities Manager Joseph J. Garuba presented the board report and answered all questions. There were no public comments. Director Gracyk verified that staff was working with SDG&E regarding potential grants for said project. Vice President Hedberg

clarified the roof was not large enough for installation of solar panels. Director McMillan requested a discussion regarding solar options. General Manager Carlos V. Lugo stated the Engineering and Operations Committee would review solar options.

11. The board appropriated funds in the amount of \$100,000 from schedule 64, item 22 of the fiscal year 2017-18 capital budget for the implementation of the treatment plant security camera project, Work Order 4899. The motion carried unanimously.

Motion: Verbeke
Second: Hedberg

Water Treatment Plant Manager Larry W. Lyford presented the board report. There were no public comments.

12. The board appropriated funds in the amount of \$27,000 from schedule 64, treatment plant fund, fiscal year 2017-18 capital budget for construction of the sedimentation basin handrail modifications project, Work Order 4843 and adopted Resolution 17-41 awarding the project to the lowest responsive, responsible bidder, Nash Fabricators Inc. of Vista, California, in the amount of \$42,889. The motion carried unanimously.

Motion: Verbeke
Second: McMillan

Engineering Manager Timothy J. Ross provided a PowerPoint presentation and answered all questions. There were no public comments.

13. The board authorized the general manager to execute a professional services agreement between Helix Water District and Probe Research Inc. in the amount of \$21,650 for the district's 2017 customer survey. The motion carried 4:1.

Motion: McMillan
Second: Hedberg
Ayes: Scalzitti, Hedberg, McMillan, Verbeke
Noes: Gracyk

Assistant Director of Administrative Services Jennifer C. Bryant provided a PowerPoint presentation and answered all questions. There were no public comments. President Scalzitti requested Board Secretary Sandra L. Janzen read an email received from Customer Larry Nichols objecting to the execution of a professional services agreement for a customer service study. Directors Scalzitti, Hedberg and McMillan expressed respect for Mr. Nichol's comments. Director Gracyk clarified the terms of the agreement and verified the survey would also be provided in Spanish.

DISCUSSION

14. President Scalzitti reported that he attended the Metropolitan Water District Board of Directors meeting and committee meetings on July 10-11, 2017. He reported discussions surrounding white papers regarding the “water fix” with an estimated \$15 billion cost estimate based on 2014 numbers. He stated there is little trust in the state to manage the tunnel(s) and that groundwater storage opportunities were discussed.

Board Secretary Sandra L. Janzen reported that the district received positive customer compliments regarding Senior Public Affairs Representative Michelle M. Curtis, Water Conservation Representative Vince Dambrose and the entire Lake Jennings team.

15. Directors Scalzitti, McMillan, Verbeke and Gracyk provided written reports. Vice President Hedberg stated she will provide a San Diego County Water Authority report at a future meeting and reported that at the American Society of Civil Engineers, the region’s emergency water supply and reliability plan was given an award. Director Verbeke provided a Water Conservation Garden Governance update reporting a sunset plan will be discussed during the next Water Conservation Garden Joint Powers Authority meeting. Director Verbeke also provided the Garden’s event schedule. Director McMillan stated he had conducted a second informal survey at Harry Griffen Park on July 4, 2017, and found 74 percent of the park attendees were from the city of El Cajon. Director Gracyk stated he will be attending a meeting with staff regarding low income water ratepayers and will share any information with the board at a future date.
16. General Manager Carlos V. Lugo detailed upcoming agenda items for the July 19, 2017 regular board meeting; verified President Scalzitti will chair the July 19, 2017 regular board meeting; reported he will be on vacation during the July 26, 2017 Committee of the Board meeting and stated Director of Administrative Services Lisa L. Stoia will serve as the acting general manager with Vice President Hedberg attending via teleconference. President Scalzitti appointed Director Gracyk to service as the alternate for the August 9, 2017 Water Quality and Resources Committee meeting, as both Chair Hedberg and Alternate Verbeke will be out of town. General Manager Lugo also provided an update regarding the Jennings fire. Director McMillan asked for a meeting on solar and advanced metering infrastructure. General Manager Lugo reported these topic will be discussed at the Engineering and Operations Committee meetings.
17. General Counsel Elizabeth W. Hull had nothing additional to report.

ADJOURNMENT

18. President Scalzitti adjourned the meeting at 7:40 p.m.



Joel A. Scalzitti, President

ATTEST:



Sandra L. Janzen, Board Secretary