

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

**MINUTES**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Wednesday, September 16, 2015 – 2 p.m.**  
**7811 University Avenue, La Mesa, CA 91942-0427**

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

Staff present: Lugo, Tomasulo, Stoia, Umphres, Hayman, Bryant, Janzen, Olney, Curtis, Gutkowski, Fox, Salois, Uhrhammer, Timmer, Miller, Lawler, Ross and Annett. General Counsel Elizabeth W. Hull was also present.

At 3 p.m. the boardroom was filled with Helix Water District employees and retirees in honor of Geoffrey M. Menta's 15 year service award.

Others present: Customer Gordon Place and San Diego Union-Tribune Reporter Karen Pearlman.

2. Director 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. Mr. Lugo pointed out that the informational items had been moved to the top of the agenda for continuity. The agenda was approved unanimously.

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| Motion: | Hedberg |
| Second: | Linden  |
| Vote:   | 5 ayes  |

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 were no requests to be heard.

5. The consent agenda was approved unanimously.

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| Motion: | Linden    |
| Second: | Scalzitti |
| Vote:   | 5 ayes    |

- a) The following operating account checks submitted for ratification were approved:
  - i. list dated September 1, 2015

- ii. list dated September 8, 2015
- b) Memorandum dated September 16, 2015, from the board secretary submitting expense and per diem claims was approved.
- c) The minutes of the regular board meeting of September 2, 2015, were approved.
- d) The board adopted the following resolutions:
  - i. 15-61 declaring construction complete and authorize filing a notice of completion for San Miguel Avenue – Corte Soledad, Work Order 4162
  - ii. 15-62 declaring construction complete and authorize filing a notice of completion for La Mesa Meadows, Work Order 797
- e) The board received the reports for the month of August 2015:
  - i. Claims report
  - ii. Treasurer's report
  - iii. Budget summary
  - iv. Rainfall, Use and Storage report
  - v. System Demand report
  - vi. Conservation Status report
  - vii. Monthly Demand report

Director of Administrative Services Lisa L. Stoia reported revenue was down \$2.7 million while water purchases were down \$560,000.

**INFORMATION:**

- A. The board received and filed a report regarding medical plan renewals effective January 1, 2016. Director Hedberg asked if staff accounted for the varying rates in the budget. Senior Human Resources Analyst Sandra C. Gutkowski stated the budget was correctly adjusted.
- B. The board received an update on the district's drought action plan for August 2015. Mr. Lugo reported regional cumulative water production decreased by 27 percent. Water Conservation Specialist Michelle M. Curtis reported Helix Water District's cumulative water production decreased by 28 percent. The board received a PowerPoint presentation.

**REGULAR AGENDA:**

6. The board adopted Resolution 15-64 eliminating the 10 percent penalty on domestic water use exceeding 30 units per billing period. The motion passed unanimously.

Motion: Scalzitti  
Second: Muse  
Vote: 5 ayes

President Verbeke recognized Customer Gordon Place. Mr. Place recommended the penalty be removed. Board discussion ensued. Director Scalzitti shared that his family has reduced their water consumption by 40 percent.

7. The board adopted Resolution 15-65 amending the policies and procedures manual sections 4.9, drought response policy and procedure, and 4.11, water conservation and development/redevelopment procedure for water efficiency. The motion passed unanimously.

Motion: Muse  
Second: Linden  
Vote: 5 ayes

Vice President Muse clarified that the effective date of October 1, 2015 in Resolution 15-65 was correct, in order to provide enough time to notify all customers. Director Hedberg asked for clarification regarding five irrigation accounts. Ms. Curtis explained the customer's total landscape area is required and has not been provided by those specific customers to date.

8. The board authorized General Manager Carlos V. Lugo to amend the existing Bay City Electric Works generator maintenance service contract extending the term of the contract for two years beginning October 1, 2015 with a not-to-exceed amount of \$70,000 during the new term. The motion passed unanimously.

Motion: Linden  
Second: Scalzitti  
Vote: 5 ayes

9. The board rejected the apparent lowest bid submitted by Universal Pipeline Inc. as nonresponsive and adopted Resolution 15-63 awarding construction of the small valve replacement project, Work Order 4443, to the lowest responsive, responsible bidder, S.C. Valley Engineering Inc. of El Cajon, California, in the amount of \$782,500; and appropriated funds in the amount of \$963,000 from schedule 64, item 14, of the fiscal year 2015-16 capital budget for the construction of the project. The motion passed unanimously.

Motion: Linden  
Second: Hedberg  
Vote: 5 ayes

Director of Engineering James A. Tomasulo and General Counsel Elizabeth W. Hull provided clarity regarding the irregularity of Universal Pipeline Inc.'s bid. The company was not registered at the time of the bid opening with the Department of Industrial Relations as mandated by statute. Director Hedberg asked if the irregularity could be waived. General Counsel stated no. Director Scalzitti asked if the company was given the opportunity to protest. General Counsel further explained the company was registered with the DIR in March but had not recertified again in July as mandated.

President Verbeke adjourned the meeting at 2:53 p.m. to prepare for the service award presentation. President Verbeke reconvened the meeting at 3 p.m.

10. Valve Maintenance Technician III Geoffrey M. Menta received a service award for 15 years of service with the district. He was joined by retirees and co-workers. Field Supervisor II Paul J. LaFalce introduced Mr. Menta; General Manager Carlos V. Lugo provided background information; and Director Hedberg presented a framed certificate. Mr. Menta thanked the board, leadership and employees for their support.

President Verbeke adjourned the meeting at 3:12 p.m. for service award photographs. President Verbeke reconvened the meeting at 3:19 p.m.

#### **DISCUSSION:**

- A. President Verbeke reported that a compliment had been received regarding the excellent customer service provided by Customer Service Representative Mary L. Lamm. President Verbeke also reminded the board of the Committee of the Board meeting at 3 p.m. on October 28, 2015.
- B. President Verbeke, Vice President Muse and Director Linden provided written reports. Director Hedberg stated she attended the Council of Water Utilities meeting on September 15, 2015.
- C. General Manager Carlos V. Lugo reported that Don Jones of Cuyamaca College stated during the San Diego County Water Authority General Manager's meeting that the college had one of the largest water and wastewater programs in the state and will work with California State University of San Marcos to add a management component to the programs. Mr. Lugo also reported the state is looking at long-term regulations for advanced water purification. The San Diego County Water Authority is pushing back on state drought regulations. Staff is scheduled to make a presentation to the La Mesa City Council on September 22, 2015, and will participate in La Mesa Conversations to discuss water, indirect potable reuse and direct potable reuse.
- D. General Counsel had nothing to report.

- E. Board Secretary Sandra L. Janzen reported the Proposition 218 public hearing will be held at 5 p.m. on October 7, 2015, and reviewed the agenda items scheduled for the October 21, 2015 regular board meeting.

President Verbeke adjourned to closed session at 3:34 p.m.

**CLOSED SESSION:**

**A. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION**

Pursuant to Government Code §54956.9(d)(1)

Number of Cases Two (2):

- i. United Financial Casualty Company v. Arrieta Construction Inc.; Docs 1-20  
Case No: 37-2015-0012475-CL-PO-CTL
- ii. Under Seal v. Under Seal

**B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Pursuant to Government Code §54957

Title: District Counsel

President Verbeke adjourned the meeting at 4:11 p.m. There was no reportable action taken during closed session.

ATTEST:

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Sandra L. Janzen, Board Secretary

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DeAna R. Verbeke, President

