

HELIX WATER DISTRICT

Setting standards of excellence in public service

MINUTES

REGULAR MEETING OF THE BOARD OF DIRECTORS

Wednesday, February 1, 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.
2. Board Secretary Sandra L. Janzen administered the oath of office to Director Daniel H. McMillan. Director McMillan was appointed by the board of directors on January 30, 2017 to fill the division one vacancy. Immediately following the oath of office, Director McMillan stated that during his campaign, division one customers expressed the desire for the board meeting time to be changed for greater transparency, requested the formation of a citizen's committee and expressed concern regarding rates.
3. The roll call showed a quorum of the board present: Directors Scalzitti, Hedberg, McMillan, Verbeke and Gracyk.

Staff present: Lugo, Tomasulo, Olney, Stoia, Miller, Janzen, Schipper, Herrera, Curtis, Uhrhammer, Ross, Lyford and Annett. General Counsel Elizabeth W. Hull was also present.

Others present: Customers Lisa Tucker, James Marshall, Chris Glenn and San Diego County Water Authority Representatives Colin Kemper, Mike Conner and Wade Griffu.
4. Vice President Hedberg gave the invocation and led the Pledge of Allegiance.
5. General Manager Carlos V. Lugo reported there were no additions or deletions to the agenda. The agenda was approved unanimously.

Motion: Hedberg
Second: Gracyk
6. 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.
7. The consent agenda was approved unanimously with the exception of 7 e) ii and 7 b). Director Verbeke requested the attendance consideration for the East County Honors Annual Awards Gala be removed due to the high cost and limited value to the district's customers. The item was removed. Director McMillan

abstained from the vote on 7 b) since he was not a director during the January 18, 2017 board meeting. All other consent agenda items were approved unanimously.

Motion: Verbeke
Second: Hedberg

- a) Memorandum dated February 1, 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 January 18, 2017.

Ayes: Scalzitti, Hedberg, Verbeke, Gracyk. Abstain: McMillan.

- c) The following operating account checks submitted for ratification were approved:
 - i. List dated January 17, 2017
 - ii. List dated January 24, 2017

Director McMillan requested the checks submitted for ratification be removed from the consent agenda and placed with action items for future board meetings.

- d) The board adopted the Resolution 17-04 concurring in nomination of Paul E. Dorey of Vista Irrigation District to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority.
- e) The board approved the following attendance consideration:
 - i. "Water, Worries & Wonders!"
Urban Water Institutes Spring Water Conference
February 8-10, 2017
Hilton Palm Springs, California

The board removed the following attendance consideration from the consent agenda. The item was not approved. No further action was taken.

- ii. East County Honors Annual Awards Gala
San Diego East County Chamber of Commerce
February 16, 2017 at 6 p.m.
MCAS Miramar Commissioned Officer's Club

ACTION ITEMS

8. The board received a PowerPoint presentation by San Diego County Water Authority Project Engineer Colin Kemper regarding the Lake Murray to Sweetwater Reservoir transmission pipeline relining project. Clarifying questions were asked by Directors McMillan, Hedberg, Verbeke and Gracyk regarding the materials used for the relining; time estimate for the project; the negotiations with Sprouts Farmers Market Inc. and for details regarding future community outreach. General Manager Carlos V. Lugo and Engineering Manager Timothy J. Ross stated the collaboration with San Diego County Water Authority has gone well.

9. The board appropriated funds in the amount of \$25,000 from schedule 64, item 19 of the fiscal year 2016-17 capital budget for research, design and implementation of a security camera pilot project at the R.M. Levy Water Treatment Plant, Work Order 4899. The motion carried unanimously.

Motion: Hedberg
Second: Verbeke

Water Treatment Plant Manager Larry W. Lyford provided information and answered all board questions. Director McMillan expressed appreciation for the use of a standard broad-based system and asked additional questions regarding the supervisory control and data acquisition system. Director of Water Quality/System Operations Brian M. Olney answered all SCADA-related questions. Vice President Hedberg clarified that the security systems at the administration office and operations center had been updated.

10. The board rejected the apparent lowest bid submitted by P&P Develop Inc. as non-responsive, adopted Resolution 17-05 awarding the R.M. Levy Treatment Plant bridge and door recoat project, Work Order 4845, to the lowest responsive, responsible bidder, Parada Painting Inc. of Poway, California, in the amount of \$85,364; and appropriated funds in the amount of \$50,000 from schedule 64, item 20, of the fiscal year 2016-17 capital budget for the construction of the project. The motion carried unanimously.

Motion: Hedberg
Second: Gracyk

Director of Engineering James A. Tomasulo provided a PowerPoint presentation and answered all questions. General Manager Carlos V. Lugo stated staff communicated with the apparent low bidder and there were no objections to rejecting their bid. Director McMillan clarified that immaterial deviations would not cause a bid to be rejected. Director Gracyk verified that district counsel reviewed the bids.

INFORMATION

11. The board received and filed the mid-year/fiscal year 2016-17 status report on Helix Water District's goals and objectives. General Manager Carlos V. Lugo answered all questions. Director Gracyk requested details regarding the development of the strategic plan. Vice President Hedberg and Director Gracyk reviewed strategic work plan objective 3.7 (c) Develop greenhouse gas inventory and requested the report be provided to the board of directors prior to review at a Committee of the Board Meeting. Director Gracyk also requested staff coordinate efforts with the city of La Mesa. Vice President Hedberg discussed strategic focus area 5-water resources. Vice President Hedberg and Director McMillan discussed strategic focus area 6-optimizing technology and strategic focus area 7-public education and outreach. Director of Administrative Services Lisa L. Stoia stated that public outreach and education will remain an annual focus area.
12. The board discussed the San Diego County Water Authority's resolution declaring an end to drought conditions in San Diego County. Director McMillan requested the contact information for the state water board meetings and discouraged staff involvement in Sacramento. District Counsel Elizabeth W. Hull reported the state plans to readopt the emergency regulations for an additional 170 days and will be accepting comments. General Manager Carlos V. Lugo stated the importance of providing Helix Water District customers with a clear message regarding the drought and possible continued state regulations. He also reported that he and Director Scalzitti were meeting with local legislators regarding long-term regulations. President Scalzitti reported some customers have communicated that they are confused by San Diego County Water Authority's resolution declaring an end to drought conditions in San Diego and wanted to know if this declaration will be of benefit. Vice President Hedberg requested staff monitor what other agencies are doing in regards to the resolution.

DISCUSSION

13. President Scalzitti had nothing additional to report.
14. There were no written reports. Director Verbeke provided an oral report regarding the ACWA Region 10 board meeting on January 23, 2017 at 11 a.m. stating a nominating committee was selected and a follow up call was scheduled for Monday, February 6, 2017. Director Verbeke also stated she attended the Sexual Harassment and Discrimination Avoidance Training on January 25, 2017. Director Gracyk stated he attended the Metropolitan Water District of Southern California tour of Hoover Dam on January 21-22, 2017; the Ethics and Sexual Harassment and Discrimination Avoidance Training on January 25, 2017; the employee appreciation breakfast on January 27, 2017; Water Talks on January 28, 2017 and the city of La Mesa Town Hall meeting on January 31, 2017.

Director Gracyk also reported on attending the WaterReuse San Diego Chapter meeting on February 1, 2017, including a tour of the Demonstration Advanced Water Purification Facility. Vice President Hedberg reported attendance at the Sexual Harassment and Discrimination Avoidance Training on January 25, 2017; Water Talks on January 28, 2017; the employee appreciation breakfast on January 27, 2017; and San Diego County Supervisor Dianne Jacob's state of the county address on February 1, 2017. Vice President Hedberg reported attendance at the San Diego County Water Authority Board of Directors meeting on January 26, 2017 and stated she worked with Jason Foster on the conservation committee. Director McMillan requested the following future agenda items: vote regarding continuing with Best Best and Krieger; suggested per diems for all board members interested in attending San Diego County Water Authority and Metropolitan Water District of Southern California board meetings; information regarding the history and participation in the Water Conservation Garden; would like to look at unfunded liability and capacity fees. Director McMillan requested establishment of the following committees: citizen's, engineering and operations, administration and finance, water quality and plant operations. Director McMillan also requested the board consider a cut in water rates with an effective date of April 1, 2017; that staff keep board report calculations simple using acre-feet or million gallons per day; that staff contact cell phone companies to place antennas on district tanks and look to control costs.

15. General Manager Carlos V. Lugo reviewed the agenda items planned for the meetings on February 15, February 22, March 1, March 15 and March 22, 2017. He also reminded the board of Kids' Day at Lake Jennings on February 11, 2017 and detailed a meeting with Association of California Water Agencies' Executive Director Timothy Quinn and Senior Regional Affairs Representative Brandon Ida for an Association of California Water Agencies activities update.
16. General Counsel Elizabeth W. Hull had nothing additional to report.

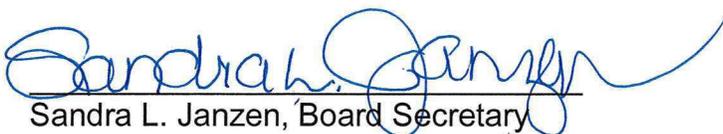
ADJOURNMENT

13. President Scalzitti adjourned the meeting at 8:11 p.m.



Joel A. Scalzitti, President

ATTEST:



Sandra L. Janzen, Board Secretary