



Setting Standards of Excellence in Public Service

**MINUTES
BUDGET WORKSHOP (DAY 1)
SPECIAL MEETING OF THE BOARD OF DIRECTORS
Wednesday, May 3, 2017 – 4 p.m.
7811 University Avenue, La Mesa, CA 91942-0427**

1. President Scalzitti called the special board meeting to order at 4 p.m. The roll call showed a quorum of the board present: Directors Scalzitti, Hedberg, McMillan, Verbeke and Gracyk.

Staff present: Lugo, Stoia, Tomasulo, Miller, Olney, Janzen, Lunde, Garuba, Lyford, Lawler, Masterson, Fox, Bryant, Annett, Doubrava, Herrera, Gustafson, Haley, Pearce, Gilroy, Ziernicki, Kading, Schipper, Emery, Solano, Andrews, Mooney and Ross.

Others present: Customers John L. Wood, Gordon Place, Thom Rosenberger, Larry Nichols, Andrea Beth Damsky, Tom Brady; and Lemon Grove City Councilwoman Jennifer Mendoza.

2. Director McMillan led the Pledge of Allegiance. He did not provide an invocation.
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

Director McMillan requested President Scalzitti and General Manager Carlos V. Lugo set the ground rules for the meeting and requested director's comments be added to the May 4, 2017 agenda.

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. Lemon Grove City Councilwoman Jennifer Mendoza arrived at 6 p.m. and thanked Helix Water District for assisting with the Earth Day cleanup on April 22, 2017; she invited everyone to the next cleanup in July. Councilwoman Mendoza also announced that Director Gracyk was

nominated for Veteran of the Year for his dedicated public service. Director Gracyk thanked Ms. Mendoza for her nomination.

5. The board received PowerPoint presentations by General Manager Carlos V. Lugo (introductory comments); Director of Administrative Services Lisa L. Stoia (introductory comments); Director of Water Quality/System Operations Brian M. Olney (draft budget schedules 002, 005, 006, 112-115, 118, 120-123, 136 and 137); Director of Operations Kevin D. Miller (draft budget schedules 216, 224-227, 229); Facilities Manager Joseph J. Garuba (draft budget schedules 230, 232, 234 and 235); Safety/Risk Administrator Susen Doubrava (draft budget schedule 236); Director of Engineering James A. Tomasulo (draft budget schedule 338) and provided direction regarding the development of the fiscal year 2017-18 operating and capital budgets.

The board provided the following direction to staff:

- a) Director McMillan stated he is not in favor of board consensus to include a prepayment of \$750,000 to CalPERS.
- b) Directors McMillan, Gracyk and President Scalzitti requested additional budget details regarding the Water Research and Development line item preliminarily budgeted at \$350,000 for fiscal year 2017-18 at a future meeting.
- c) Director McMillan requested a detailed breakdown of the 23 pump stations at a future meeting.
- d) The board directed staff to set a Committee of the Board meeting to evaluate options regarding current vacancies to eliminate fatigue, injuries and maintain productivity. Options are to include the financial impacts of outsourcing. Director McMillan clarified the budgeted staffing level is 149, with 139 positions currently filled/10 positions vacant.
- e) Director McMillan requested staff evaluate insurance options through agencies other than the Association of California Water Agencies Joint Powers Insurance Authority.

There were no public comments.

President Scalzitti left the boardroom at 5:17 p.m. and returned at 5:19 p.m.

President Scalzitti adjourned the meeting at 6:13 p.m. for a dinner break.

President Scalzitti reconvened the meeting at 6:42 p.m.

The board requested that the May 4, 2017 4 p.m. special board meeting adjourn to 5 p.m.

ADJOURNMENT

6. President Scalzitti adjourned the meeting at 8:52 p.m.


Joel A. Scalzitti, President

ATTEST:


Sandra L. Janzen, Board Secretary