



*Setting Standards of Excellence in Public Service*

**MINUTES  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Wednesday, August 2, 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, Stoia, Olney, Tomasulo, Janzen, Annett, Bryant, Masterson, Doubrava, Miller, Berens, Gustafson and Ross. General Counsel Elizabeth W. Hull and Kelly Salt were also present.

Others present: Customers John L. Wood, Thom Rosenberger and Wes Owen.

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 motion carried unanimously.

Motion: Hedberg  
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. There were no requests to be heard.

5. The consent agenda was approved unanimously.

Motion: Verbeke  
Second: Hedberg

- a) Memorandum dated August 2, 2017, from the board secretary submitting expense and per diem claims was approved.

- b) The board approved the minutes of the special board meetings of July 14, 2017 and July 19, 2017; the regular board meeting of July 19, 2017; and the Committee of the Board meeting of July 26, 2017.
- c) The following operating account checks submitted for ratification were approved:
  - i. List dated July 18, 2017
  - ii. List dated July 25, 2017
- d) The board approved the following attendance considerations:
  - i. Metropolitan Water District of Southern California  
August 14, 2017, Committee Meetings 9:30 a.m. to 3 p.m.  
August 15, 2017, Committee and Board Meetings 10 a.m. to 1 p.m.  
MET Boardroom, Los Angeles, California
  - ii. San Diego County Water Authority Legislative Round Table  
August 7, 2017 from 9:30 a.m. to 11:30 a.m.  
San Diego County Water Authority, San Diego

**ACTION ITEMS**

- 6. The board adopted Resolution 17-46 adjusting the schedule of rates for fiscal year 2017-18 water service fees and amending Section 2.12-2(B) of the Helix Water District Policies and Procedures Manual. The motion carried 4:1.

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

Assistant Director of Administrative Services Jennifer C. Bryant and Senior Accountant Robert A. Masterson provided a PowerPoint presentation. There were no public comments. Director McMillan suggested the board vote separately on the proposed district rate adjustment for fiscal year 2017-18 of 1.6 percent and the 2018 San Diego County Water Authority pass-through of 2.3 percent. District Counsel reported Director McMillan’s suggestion could be considered with two separate motions. Director Gracyk requested staff clarify the timing of the rate adjustments. Director of Administrative Services Lisa L. Stoia reported customers will see the first increase on their January statements for water used in November and December, and that the SDCWA pass-through would not go into effect until January, showing on the March statements. President Scalzitti thanked the board of directors and staff for their collaboration in holding the budget tight and presenting a reasonable rate increase of 1.6 percent.

President Scalzitti adjourned the meeting at 6:31 p.m. for a brief break. Director Gracyk left the meeting at 6:32 p.m. to attend another commitment. President Scalzitti reconvened the meeting at 6:36 p.m. A quorum of the board remained.

7. The board authorized General Manager Carlos V. Lugo to execute a two-year contract for as-needed traffic control and flagging services, with Hudson Safe-T-Lite Rentals. The motion carried 4:0.

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

Director of Operations Kevin D. Miller provided a PowerPoint presentation. There were no public comments.

8. The board appropriated funds in the amount of \$70,000 from schedule 64, item 18 of the fiscal year 2017-18 capital budget for the Carmichael pipe condition assessment project, Work Order 4978. The motion carried 4:0.

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

Engineering Manager Timothy J. Ross provided a PowerPoint presentation. There were no public comments. Mr. Ross and General Manager Carlos V. Lugo addressed all questions from the board.

9. The board appropriated funds in the amount of \$40,000 from schedule 64, item 15 of the fiscal year 2017-18 capital budget for the design of the Helix 2 Pump Station motor control center replacement project, Work Order 5002. The motion carried 4:0.

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

Engineering Manager Timothy J. Ross provided a PowerPoint presentation. There were no public comments. Mr. Ross and General Manager Carlos V. Lugo addressed all questions from the board.

## **INFORMATION**

10. The board received and filed information regarding the lease and operations agreements between Helix Water District and Lake Cuyamaca Recreation and Park District. There were no public comments.

Director of Water Quality and System Operations Brian M. Olney and System Operations Manager Michelle P. Berens provided a PowerPoint presentation. Director McMillan clarified that the district retains 25 percent of the value of the credit from the city of San Diego to offset evaporation lost due to maintaining water in Lake Cuyamaca for park and recreation purposes – before paying Lake Cuyamaca Recreation and Park District each January. Director McMillan also received answers regarding the dam keeper’s rental agreement, duties and responsibilities. The current agreement between the district and LCRPD expires on December 14, 2017; followed by expiration of LCRPD’s agreement with the city for Fletcher Well. These agreements will be discussed at a future board meeting. A field trip to Lake Cuyamaca is being planned for late August or September.

## **DISCUSSION**

11. President Scalzitti reported attending the July 27, 2017, San Diego County Water Authority Board of Directors’ meeting regarding Senate Bill 623.
12. Directors Scalzitti, Hedberg, McMillan, Verbeke and Gracyk provided written reports. Director Verbeke also reported attendance at the Water Conservation Garden Joint Powers Authority meeting on August 2, 2017. She reported the JPA voted for an owner/operator concept with the JPA covering maintenance expenditures. The JPA agreed to the district’s request to develop a plan to lower funding levels in five years without a sunset plan. President Scalzitti also attended the meeting to present talking points from the letter to the JPA developed by the board of directors. Discussion ensued. Director McMillan reported attendance at the August 2, 2017, Water Conservation Garden Joint Powers Authority meeting; the July 18, 2017, Council of Water Utilities meeting; the July 27, 2017 San Diego County Water Authority Board of Directors’ meeting and the International Water Association conference on water reclamation and reuse in Long Beach July 23 – 24, 2017.
13. General Manager Carlos V. Lugo detailed upcoming agenda items for the August 9, 2017, 3 p.m. Water Quality and Resources Committee meeting; the August 16, 2017 regular board meeting; the August 23, 2017 Committee of the Board meeting; the September 6, 2017 regular board meeting; and the September 13, 2017 Finance and Administration Committee meeting. Mr. Lugo also requested the board confirm with Board Secretary Sandra L. Janzen their approval to send the board letter opposing Senate Bill 623 (Monning) unless amended. Mr. Lugo reported the SDCWA will present at the city of La

Mesa council meeting August 8, 2017 at 4 p.m. and that staff is reviewing the letter from the Department of Water Resources regarding new regulations for the district's dam emergency action plan.

14. General Counsel Elizabeth W. Hull provided a written update regarding the United States Environmental Protection Agency and Army Corps of Engineers published ruling that re-codifies the definition of waters of the United States which are waterbodies subject to the Clean Water Act. Ms. Hull also provided information regarding upcoming Sexual Harassment and Discrimination Prevention training offered by Best Best and Krieger. Board Secretary Sandra L. Janzen confirmed all director training is current.

**ADJOURNMENT**

15. President Scalzitti adjourned the meeting at 7:57 p.m.

  
Joel A. Scalzitti, President

**ATTEST:**

  
Sandra L. Janzen, Board Secretary