



*Setting Standards of Excellence in Public Service*

**MINUTES**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Wednesday, February 7, 2018 – 6 p.m.**  
**7811 University Avenue, La Mesa, CA 91942-0427**

1. Chair McMillan called the regular board meeting to order at 6:08 p.m. The roll call showed a quorum of the board present: Directors McMillan, Scalzitti, Verbeke and Gracyk. President Hedberg was absent.

Staff present: Lugo, Olney, Tomasulo, Miller, Bryant, Janzen, Annett, Dillman, Kleber, Fox and Ross. General Counsel Elizabeth W. Hull was also present.

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

2. Director Gracyk led the Pledge of Allegiance. No invocation was provided.
3. General Manager Carlos V. Lugo reported there were no additions or deletions to the agenda. The motion carried 4:0.

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

4. Chair McMillan 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 public comments.

5. The consent agenda was approved 4:0.

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

- a) Memorandum dated February 7, 2018, from the board secretary submitting expense and per diem claims was approved.
  
- b) The board approved the following minutes:
  - i. January 10, 2018, Engineering and Operations Standing Committee
  - ii. January 17, 2018, Finance and Administration Standing Committee
  - iii. January 17, 2018, Special Board Meeting
  - iv. January 17, 2018, Regular Board Meeting
  - v. January 24, 2018, Committee of the Board Meeting
  
- c) The following operating account checks submitted for ratification were approved:
  - i. List dated January 16, 2018
  - ii. List dated January 23, 2018
  - iii. List dated January 30, 2018
  
- d) The board adopted the following resolutions:
  - i. Resolution 18-02 declaring construction complete and authorized filing a notice of completion for Crossroads Apartments project, Work Order 4623
  
  - ii. Resolution 18-03 declaring construction complete and authorized filing a notice of completion for Magnolia Elementary School project, Work Order 4754
  
- e) The board approved the following attendance consideration at the request of Chair McMillan:
  - i. Waterside Chats Hosted by WaterSmart Software  
Avoiding AMI Deployment Surprises  
February 13, 2018 at 11 a.m.  
Webinar Requested by Chair McMillan

Chair McMillan encouraged the board to attend the February 13, 2018 webinar.

**ACTION ITEM**

- 6. The board adopted Resolution 18-04 declaring construction complete and authorized filing a notice of completion for the sedimentation basin handrail modification project, Work Order 4843. There were no public comments. The motion carried 4:0.

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

Engineering Manager Timothy J. Ross provided a PowerPoint presentation and addressed all questions with the assistance of General Manager Carlos V. Lugo. Mr. Ross reported that the project will be submitted to the Association of California Water Agencies Joint Powers Insurance Authority for a safety award. Directors Scalzitti and Verbeke complimented staff regarding the safety of the project.

7. The board appropriated funds in the amount of \$7,500 from schedule 64, item 28 of the fiscal year 2017-18 capital budget for the main circuit breaker replacement at the R.M. Levy Water Treatment Plant, Work Order 4926. There were no public comments. The motion carried 4:0.

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

Director of Water Quality/System Operations Brian M. Olney provided a PowerPoint presentation and addressed all questions with the assistance of General Manager Carlos V. Lugo. Director Gracyk clarified that the additional breaker was needed to eliminate four to six week timing delays in the event of a failure.

8. The board appropriated funds in the amount of \$30,000 from schedule 64, item 8 of the fiscal year 2017-18 capital budget for the predesign and survey for pipeline project Fuerte Drive, Crestland Drive, Snyder Road, Alta Rica Drive and various Mount Helix easements, Work Order 5075. There were no public comments. The motion carried 4:0.

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

Associate Engineer Sam L. Dillman provided a PowerPoint presentation and addressed all questions with the assistance of General Manager Carlos V. Lugo and Director of Engineering James A. Tomasulo. Directors McMillan, Scalzitti and Gracyk asked questions regarding project details that will be answered following the predesign and survey results.

## DISCUSSION

9. Chair McMillan reported attending a webinar entitled Communicating with Ratepayers: Getting Past “Paying More for Less” on January 30, 2018. Chair McMillan shared that customer communication should focus on using water that is needed, but wasting none.

Chair McMillan reported the district received multiple compliments regarding Valve Maintenance Technician III Michael T. Pepin, Valve Maintenance Technician II Morgan K. Blake, Customer Service Representative II Cristina M. Soto and Water Conservation Technician Vincent R. Dambrose, III.

10. Directors Hedberg, McMillan, Scalzitti, Verbeke and Gracyk provided written reports. Director Gracyk reported attending the Special District Leadership Academy on February 4 – 7, 2018. Director Verbeke provided an Association of California Water Agencies Region 10 report. Director Scalzitti provided a Lake Jennings activity report. Director Gracyk suggested the summary regarding the measures to ensure water bills are correct be shared with the cities served by the district.
11. General Manager Carlos V. Lugo detailed upcoming agenda items for the meetings scheduled on February 8, 2018, February 21, 2018, February 28, 2018, March 7, 2018 and March 10, 2018. General Manager Lugo reported attending the Lemon Grove City Council meeting on February 6, 2018, with Director of Operations Kevin D. Miller who provided an AMI PowerPoint presentation. Mr. Lugo referred to a letter from the Department of Water Resources emailed to the board regarding an option for the California Water Fix and a news release from Metropolitan Water District of Southern California General Manager Jeffrey Kightlinger. Mr. Lugo also reported his performance appraisal will be distributed to the board on February 8, 2018, in preparation for a closed session on February 21, 2018.
12. General Counsel Elizabeth W. Hull reported that on December 20, 2017, the district faced pending litigation with Kaveh Engineering & Construction Inc. The board directed counsel to enter into negotiations. A settlement of \$75,000 was reached and a motion to dismiss the case is with the courts. Director Gracyk requested Ms. Hull report to the board once the case has been dismissed. There were no public comments.

## ADJOURNMENT

13. Chair McMillan adjourned the meeting at 6:49 p.m.

  
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Daniel H. McMillan, Chair

**ATTEST:**

  
Sandra L. Janzen, Board Secretary