



Setting Standards of Excellence in Public Service

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

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

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

Others present: Customer John L. Wood, Association of California Water Agencies Joint Powers Insurance Authority Chief Executive Officer Andy Sells and Executive Committee Member W.D. "Bill" Knutson from Yuima Municipal Water District were present.

2. Director Verbeke gave the invocation and led the Pledge of Allegiance.
3. General Manager Carlos V. Lugo reported that the quarterly presentation by Water Conservation Garden Executive Director Elyssa Robertson has been moved to the March 28, 2018, Committee of the Board meeting due to the timing of the Garden's financial reporting. The motion to approve the agenda with the deletion of item 7 carried unanimously.

Motion: Gracyk
Second: Scalzitti

4. President Hedberg 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 comments.
5. The consent agenda was approved unanimously.

Motion: Verbeke
Second: Scalzitti

- a) Memorandum dated March 7, 2018, from the board secretary submitting expense and per diem claims was approved.
- b) The board approved the following sets of minutes:
 - i. February 21, 2018, Regular Board Meeting
 - ii. February 27, 2018, Special Committee Meeting
 - iii. February 28, 2018, Committee of the Board Meeting
- c) The following operating account checks submitted for ratification were approved:
 - i. List dated February 20, 2018
 - ii. List dated February 27, 2018
- d) Resolutions
The board adopted the following resolutions:
 - i. Resolution 18-05 declaring construction complete and authorizing filing a notice of completion for Magnolia trails project, Work Order 4538
 - ii. Resolution 18-06 authorizing the quitclaim of an easement in the city of El Cajon, county of San Diego, state of California, assessor parcel number 492-460-12
- e) Attendance Considerations
The board approved the following attendance considerations:
 - i. Investment & Financial Management Symposium
March 16, 2018
Crowne Plaza Hotel, San Diego
 - ii. American Water Works Association
Annual Conference and Exposition
Innovating the Future of Water
June 12-14, 2018
Mandalay Bay Convention Center, Las Vegas, Nevada

PRESENTATION

- 6. The board was presented a check in the amount of \$147,502 by Association of California Water Agencies Joint Powers Insurance Authority Chief Executive Officer Andy Sells and W.D. "Bill" Knutson, Executive Committee Member from Yuima Municipal Water District. There were no public comments.

President Hedberg adjourned the meeting for photographs at 6:08 p.m. and reconvened the meeting at 6:11 p.m.

7. The quarterly presentation by Water Conservation Garden Executive Director Elyssa Robertson was removed from the agenda at the request of Ms. Robertson, to the March 28, 2018, Committee of the Board meeting due to the timing of the Garden's financial reporting.

INFORMATION

8. The board reviewed and considered a request from the Association of California Water Agencies to contribute \$10,000 to their No Drinking Water Tax Campaign and agreed to participate in their coalition efforts. Senior Public Affairs Representative Michelle M. Curtis provided a PowerPoint presentation and answered all questions. There were no public comments. Staff was directed to submit an oppose-unless-amended letter to the budget subcommittees; use the Association of California Water Agencies' tool kit to educate customers, media and other key stakeholders; call local assembly members to alert them of the proposed tax and submit a \$10,000 voluntary contribution to ACWA to fund outreach efforts. Director Verbeke reported with board consensus that the funds would be well spent to protect the ratepayers from a tax, that if passed, could continue to increase an effect rates. General Counsel Elizabeth W. Hull clarified, at the request of Director Gracyk, that a two-thirds majority vote is required to tax the public. Director Gracyk and Vice President McMillan reported that they will be attending ACWA's Legislative Symposium on March 14, 2018 and will address the legislature on behalf of the district's ratepayers.

ACTION ITEM

9. The board authorized President Kathleen Coates Hedberg to execute a fifth amendment to the employment agreement between Helix Water District and General Manager Carlos V. Lugo following negotiations with Mr. Lugo during closed session noticed for 5:30 p.m. on March 7, 2018. General Counsel Hull provided the agreement. The term of employment shall be three years with a five percent increase in base pay annually, effective February 1, 2018. There were no public comments. The motion carried 4:1.

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

DISCUSSION

10. President Hedberg reported that the discussion during the February 27, 2018, San Diego County Water Authority Board of Directors meeting surrounding public outreach was positive and that the board and staff were open to new ideas. President Hedberg also reminded the board of the retreat on Saturday, March 10, 2018, from 10 a.m. to 2 p.m. at the Lake Jennings Campground.

Board Secretary Sandra L. Janzen reported that the district received an email from the city of Lemon Grove complimenting Senior Public Affairs Representative Michelle M. Curtis, Water Conservation Technician Vincent R. Dambrose III and Helix Helps volunteers for their participation in the Lemon Grove Community Cleanup event on Saturday, February 24, 2018. Ms. Janzen reported the volunteers removed litter, landscape debris and graffiti.

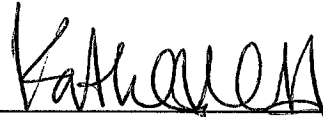
11. Directors Hedberg, McMillan, Scalzitti, Verbeke and Gracyk provided written reports. In addition, Vice President McMillan reported that the Finance and Administration Committee conducted a special meeting on February 22, 2018, to review the request for proposals for an employee compensation study. Vice President McMillan reported board comments are needed by the full board in preparation for a special committee meeting on March 12, 2018, at 10 a.m. Director Verbeke communicated that staff did a good job preparing the request for proposals.

Director Gracyk reported attending the Cleantech meeting on March 2, 2018, in San Diego regarding the nexus of energy and water, both across the country and in the San Diego region. Director Gracyk reported the event featured remarks by Congressman Scott Peters and a talk by Dr. Michael Webber of the Energy Institute at the University of Texas, followed by insights from a panel of local and national industry experts including Philip Mezey of Itron, Robert Hubbard of Cisco, Scott Crider of San Diego Gas and Electric, David Graham of the city and Jeffrey Kightlinger of the Metropolitan Water District of Southern California. The event was streamed on Facebook live in two segments and Director Gracyk requested the videos be provided to the board during a future meeting. There were no public comments.

12. General Manager Carlos V. Lugo detailed upcoming agenda items for the meetings scheduled on March 10, March 12, March 21, March 28 and March 29, 2018. There were no public comments.
13. General Counsel Elizabeth W. Hull provided a written report regarding lobbying efforts and reported that the unlawful detainer discussed during the January 17, 2018, special board meeting was dismissed by the courts per the board's request. There were no questions or comments.

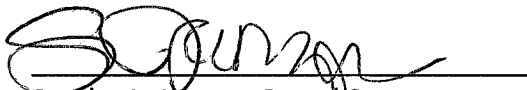
ADJOURNMENT

14. President Hedberg adjourned the meeting at 6:58 p.m.



Kathleen Coates Hedberg, President

ATTEST:



Sandra L. Janzen, Board Secretary