



Setting Standards of Excellence in Public Service

MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, August 15, 2018 – 6 p.m.
7811 University Avenue, La Mesa, CA 91942-0427

1. President Hedberg called the regular board meeting to order at 6:01 p.m. The roll call showed a quorum of the board present: Directors Hedberg, McMillan, Scalzitti, Verbeke and Gracyk.

Staff present: Lugo, Bryant, Miller, Olney, Tomasulo, Janzen, Solano, MacMaster, Dillman, Ross and Annett. General Counsel Nicholas Norvell was also present.

Others present: Customers John L. Wood and Gordon Place. Lemon Grove City Councilmember Matt Mendoza, Lakeside Historical Society Representative Billy Ortiz and Rewards Strategy Group Inc. President Allan Crecelius and Senior Principal Consultant Gina Calderon were also present.

2. Director Verbeke provided an 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 to approve the agenda carried unanimously.

Motion: Scalzitti
Second: Verbeke

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 requests to be heard.

5. The motion to approve the consent agenda carried unanimously. There were no public comments.

Motion: Verbeke
Second: Scalzitti

- a) Memorandum dated August 15, 2018, from the board secretary submitting expense and per diem claims was approved.
- b) The board approved the following sets of minutes:
 - i. August 1, 2018, Regular Board Meeting
 - ii. August 1, 2018, Special Board Meeting
 - iii. August 8, 2018, Special Water Quality and Resources Committee Meeting
- c) The following operating account checks submitted for ratification were approved:
 - i. List Dated August 1, 2018
 - ii. List Dated August 9, 2018

Director Gracyk verified the check registers in reference to San Diego Pacific Crest Services were accurate. Director Scalzitti and Director of Operations Kevin D. Miller reported the vendor is utilized for service and maintenance of the district's fleet.

ACTION ITEMS

- 6. The board authorized the general manager to execute an agreement for professional services between Helix Water District and Reward Strategy Group Inc. in the amount of \$51,010 to conduct a compensation and benefits study. President Hedberg recognized Customer Gordon Place. Mr. Place requested a citizen group be included in committee meetings to provide additional insight. President Hedberg and Vice President McMillan assured Mr. Place the committee meetings are publicly noticed and that the public is encouraged to attend. The motion carried unanimously.

Motion: Verbeke
Second: McMillan

Senior Human Resources Analyst Anne D. Solano provided a PowerPoint presentation and answered all questions with the assistance of Director of Administrative Services Jennifer C. Bryant and Rewards Strategy Group Inc. President Allan Crecelius regarding specific contract fees and methodology. Finance and Administration Committee Chair Verbeke and Vice Chair McMillan spoke highly of the consulting firm. Director Scalzitti requested the compensation study final report be brought to the full board during a Committee of the Board meeting for discussion. Consensus was not reached regarding the type of meeting for the board to receive the final report.

- 7. The board authorized staff to call for bids and set September 13, 2018 at 10 a.m. as the date and time of the bid opening for the valve vault retrofit at Grossmont Reservoir

project CIP19018; determined the project is exempt under the California Environmental Quality Act; and approved said project. There were no public comments. The motion carried unanimously.

Motion: Verbeke
Second: Scalzitti

Assistant Engineer Jeffrey J. MacMaster provided a PowerPoint presentation and answered all questions with the assistance of General Manager Carlos V. Lugo regarding customer and board project notifications.

8. The board appropriated funds in the amount of \$120,000 from schedule 64, item 3 of the fiscal year 2018-19 capital budget for the design of pipeline project CIP19003. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Gracyk

Associate Engineer Sam L. Dillman provided a PowerPoint presentation and answered all questions with the assistance of Director of Engineering James A. Tomasulo and General Manager Carlos V. Lugo. Discussion ensued regarding the future traffic impact to Fuerte Drive commuters and the scheduling of construction once the design is complete.

INFORMATION

9. The board received and discussed information regarding potential use of the El Monte Pump Station site for East County Advanced Water Purification project facilities. General Manager Carlos V. Lugo reported this item was continued from the August 1, 2018 special meeting due to the absence of Director Scalzitti.

Director of Water Quality/System Operations Brian M. Olney provided several photographs and answered all questions with the assistance of General Manager Lugo. Director Scalzitti expressed frustration surrounding the limited board and customer communication regarding notification that Padre Dam Municipal Water District will conduct an environmental impact report concerning Helix Water District facilities. General Manager Lugo reported he is taking steps to improve communication with PDMWD regarding any communication that affects Helix Water District's customers and the Lakeside community. Discussion ensued suggesting alternative sites be determined so as not to disturb the El Monte Pump Station and old flume tunnel.

President Hedberg recognized Lakeside Historical Society Representative Billy Ortiz. Mr. Ortiz reported the local historic society is interested in preserving the historic value of

the old flume tunnel and the El Monte Pump Station and would like to meet with General Manager Carlos V. Lugo.

DISCUSSION

10. President Hedberg reported that both she and Director Verbeke will not need to conduct a campaign for the November 6, 2018 election, as the incumbents for Divisions 2 and 4 are unopposed. President Hedberg reported she will attend the East County Water Festival on September 8, 2018 from 9 a.m. to 1 p.m.; will attend the Urban Water Institute Conference August 22 and 24, 2018 offering Director Gracyk her place on August 23, 2018, due to her attendance at the San Diego County Water Authority Board of Directors meeting; and will attend the October 6, 2018 Water Talks. President Hedberg requested that a copy of the finalized rate notification be sent to the board prior to customer notification.
11. Directors McMillan, Verbeke and Gracyk provided written reports. In addition, Vice President McMillan reported attending the East County Economic Development Council meeting on August 15, 2018, and promoted attendance at the Manufacturing Expo 2018 on October 2 and Politics in Paradise on August 30, 2018 from 5:30 p.m. to 8 p.m. Vice President McMillan reported he was pleased with the professionalism reached by the Water Conservation Garden Joint Powers Authority, which met on August 13, 2018.

Director Scalzitti provided the August 8, 2018 Water Quality and Resources Committee meeting report and stated Lake Jennings will serve as the venue for a Lakeside Chamber of Commerce event on September 20, 2018, with all regional chambers invited. Director Scalzitti also reported attending the August 9, 2018 special board meeting of the San Diego County Water Authority to establish a policy to support the California Water Fix.

Director Verbeke also reported attending the Water Conservation Garden Joint Powers Authority board meeting on August 13, 2018, requesting the WCGJPA agreement be provided to the Helix Water District Board of Directors at a future meeting and stated a new WCGJPA president and secretary will be appointed in October. Director Verbeke will serve on the Water Conservation Garden's selection committee for a new executive director with a focus on finding a person with fundraising experience.

Director Gracyk reported he will attend the East County Water Festival on September 8, 2018. There were no public comments.

12. General Manager Carlos V. Lugo detailed upcoming agenda items for the meetings scheduled September 5, 14 and 19, 2018 and reminded the board the August 22, 2018 Committee of the Board meeting was cancelled due to the Urban Water Institute's

annual conference. Mr. Lugo also reported a joint agency board meeting will be scheduled in January 2019. There were no public comments.

13. General Counsel Nicholaus Norvell reported Senate Bill 623 regarding a water tax is proposed to be brought back to the legislature as a voluntary contribution that customers could select to opt out of paying. Mr. Norvell reported the Association of California Water Agencies is working to develop a letter of opposition that the district will also provide to the senate on behalf of district customers. Director of Administrative Services Jennifer C. Bryant reported the water tax could create an administrative hardship. There were no public comments.

ADJOURNMENT

14. President Hedberg adjourned the meeting at 7:38 p.m.



Kathleen Coates Hedberg, President

ATTEST:



Sandra L. Janzen, Secretary of the Board