



Setting Standards of Excellence in Public Service

**MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, September 18, 2019 – 5 p.m.
7811 University Avenue, La Mesa, CA 91942-0427**

1. President McMillan called the regular board meeting to order at 5:12 p.m. The roll call showed a quorum of the board present: Directors McMillan, Gracyk, Verbeke, Scalzitti and Hedberg.

Staff present: Lugo, Tomasulo, Bryant, Miller, Olney, Janzen, Lundy, Schipper, Pearce, Herrera, Ross, Garuba, Curtis, Pope and Annett. General Counsel Elizabeth W. Hull was also present.

Others present: Customers John L. Wood, Joe Compton and Frank Fitzgerald. Mark Elliott of Jacobs Engineering Group Inc. was also present.

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

Motion: Verbeke
Second: Scalzitti

4. President McMillan provided opportunity for members of the public to address the board on any item under the subject matter jurisdiction of the district. Mr. Joe Compton reported interest in the property at Summit Drive, La Mesa, CA 91941 assessor parcel number 470-680-16.

ADJOURN TO CLOSED SESSION

5. President McMillan adjourned the meeting to closed session at 5:18 p.m.

CLOSED SESSION

6. Closed Session Items:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: Summit Drive, La Mesa, CA 91941 (APN: 470-680-16)

Agency Negotiators: Director of Engineering James A. Tomasulo
Engineering Manager Milica K. Schipper
Senior Right of Way Agent/Environmental Analyst Debra S. Lundy

Negotiating Parties: William F. Best

Under Negotiation: Price and Terms of Payment

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957

Title: General Counsel

ADJOURN CLOSED SESSION

7. President McMillan adjourned closed session and reconvened open session at 5:44 p.m. District Counsel Elizabeth W. Hull stated no reportable action taken in closed session.

DISCUSSION

8. President McMillan reviewed regional topics such as debt ratios and water quality. President McMillan also reported attending the September 17, 2019 Council of Water Utilities meeting, portions of the September 8-11, 2019 WaterReuse Symposium and the September 12, 2019 Parks, Land, Lakes and Garden Committee meeting. Both President McMillan and Vice President Gracyk congratulated Director of Water Quality/System Operations Brian M. Olney for a successful session during the WaterReuse Symposium. There were no public comments.

Secretary of the Board Sandra L. Janzen reported the district received a compliment thanking Utility Crew Supervisor Daniel Baker, Valve Maintenance Technician Bryan K. Watte, Utility Crew Member John D. Wilson and Utility Crew Member Eric D. Hughes for their service in the community of Paradise, California.

9. President McMillan, Vice President Gracyk and Directors Verbeke, Scalzitti and Hedberg provided written reports. In addition, Vice President Gracyk reported attending portions of the September 8-11, 2019 WaterReuse Symposium. Vice President Gracyk also reported attending the September 16, 2019, La Mesa Environmental Sustainability

Commission meeting and relayed to the board the commission's interest in joining the city of San Diego's joint powers authority in pursuit of alternative energy sources. Discussion ensued. Vice President Gracyk mentioned the leak detection technology rebate, tree planting at Harry Griffin Regional Park and Do-It-Yourself Energy Saving and Sustainability Tool Kits.

Director Verbeke detailed the Association of California Water Agencies Finance Committee teleconference, the September 5 and 16, 2019 ACWA Nominating Committee meetings and the September 12, 2019 San Diego River Conservancy meeting (thanking Senior Right of Way Agent/Environmental Analyst Debra S. Lundy for attending with her). Director Verbeke also detailed the Water Conservation Garden's upcoming events including a plant sale, concert and retreat.

Director Scalzitti reminded the board of the agenda items from August 22, 2019, San Diego County Water Authority Board of Directors meeting, including the plan for multiple engineering project consultants, the de-annexation process and provided a pipeline update.

Director Hedberg mentioned a tour and presentation provided at the Cuyamaca Rancho State Park and discussion ensued regarding the San Diego County Water Authority Pipeline 4. Director Hedberg also mentioned the California Special Districts Association's requested outreach regarding Assembly Bill 1184 and Senate Bill 13. Brief discussion ensued and the board determined no action was needed at this time.

10. General Manager Carlos V. Lugo detailed the upcoming agenda items for the meetings scheduled on September 25, 27 and October 2, 3, 9 and 16, 2019. Mr. Lugo detailed outreach activities including participation in the city of El Cajon Mother Goose Parade. Mr. Lugo shared the steps the Fiscal Sustainability Task Force is taking to collect data and President McMillan requested this information be shared with the board once available. Mr. Lugo stated the board will be meeting one-on-one with consultant Michele Tamayo in preparation for the district's strategic plan update.
11. General Counsel Elizabeth W. Hull reported she will provide a legislative update soon and President McMillan mentioned Ms. Hull's webinar on October 30, 2019 through Best Best and Krieger, LLP. President McMillan requested an update regarding the East County Advanced Water Purification project during a future closed session meeting.

CONSENT AGENDA

12. The motion to approve the consent agenda carried unanimously with the exception of item e) and the addition of Vice President Gracyk's name to the minutes of the August 21, 2019 regular board meeting attendance section. There were no public comments.

Motion: Gracyk
Second: Verbeke

- a) Memorandum dated September 18, 2019, from the Secretary of the Board Sandra L. Janzen submitting expense and per diem claims was approved.
- b) The board approved the following sets of minutes:
 - i. August 21, 2019, Regular Board Meeting
 - ii. August 28, 2019, Committee of the Board Meeting
- c) The following operating account checks submitted for ratification were approved:
 - i. List dated August 21, 2019
 - ii. List dated August 28, 2019
 - iii. List dated September 4, 2019
 - iv. List dated September 11, 2019
- d) The board approved the following attendance considerations:
 - i. WaterSMART Funding Opportunities
WaterNow Alliance
August 20, 2019 at 10:30 a.m.
Webinar
 - ii. General Manager Jack Bebee of the Fallbrook Public Utility District
Lunch Meeting Regarding FPUD's De-Annexation Plan
August 27, 2019 at 12 p.m.
Mimi's Bistro and Cafe
Mira Mesa Market Center, San Diego
 - iii. San Diego East County Chamber of Commerce
Government Affairs & Infrastructure & Land Use Meeting
September 3, 2019 at 7:30 a.m.
201 S. Magnolia Avenue, El Cajon
 - iv. WateReuse Symposium
September 8-11, 2019
Marriott Marquis, San Diego Marina
 - v. 35th Annual Environmental Training Symposium and Conference
October 1-2, 2019
San Diego Convention Center, San Diego

The board removed item e) from the consent agenda at the request of Customer Joe Compton. President McMillan opened public comments. Mr. Compton asked for board consideration of his offer to purchase the land listed as item 12. e). President McMillan closed public comments and opened board comments. Director Scalzitti reported he was comfortable with the process. Director Hedberg and Vice President Gracyk clarified the noticing and bid opening process with Senior Right of Way Agent/Environmental Analyst Debra S. Lundy. The motion to adopt Resolution 19-46 carried unanimously.

- e) The board adopted Resolution 19-46 authorizing General Manager Carlos V. Lugo to execute a purchase and sale agreement for assessor parcel number 470-680-16 with William F. Best and determined the project is exempt under the California Environmental Quality Act.

Motion: Scalzitti
Second: Hedberg

ACTION ITEMS

- 13. The board authorized General Manager Carlos V. Lugo to execute a professional services agreement between Helix Water District and Jacobs Engineering Group Inc. in the amount of \$216,133 for water system risk and resilience assessments and emergency response plan certification with the Environmental Protection Agency per America's Water Infrastructure Act 2018. There were no public comments. The motion carried unanimously.

Motion: Hedberg
Second: Verbeke

Director of Operations Kevin D. Miller provided a PowerPoint presentation and answered all questions regarding AWIA, consultant qualifications, negotiation of terms, training and potential future policy changes.

- 14. The board authorized General Manager Carlos V. Lugo to execute a professional services agreement between Helix Water District and Black and Veatch Corporation in the Amount of \$200,000 for the comprehensive update of the Capital Improvement Program Master Plan project ENG20001. There were no public comments. The motion carried unanimously.

Motion: Verbeke
Second: Hedberg

Director of Engineering James A. Tomasulo provided a PowerPoint presentation and answered all questions regarding the scope of the plan. President McMillan and Director Hedberg requested the board evaluate capacity fee projections at a future date.

15. The board authorized General Manager Carlos V. Lugo to execute a professional services agreement with BSE Engineering Inc. for as-needed electrical engineering consulting and design services not to exceed \$100,000; and appropriated funds in the amount of \$60,000 from schedule 64, item 12 of the fiscal year 2019-20 capital budget for the design of the Johnstown Pump Station motor control center replacement project CIP20006. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Gracyk

Director of Engineering James A. Tomasulo provided a PowerPoint presentation and answered all questions regarding the qualifications of BSE Engineering Inc.

16. The board authorized staff to call for bids and set October 22, 2019, at 2 p.m. as the date and time of the bid opening for the Greenfield and Madison pipeline project CIP19004; determined the project is exempt under the California Environmental Quality Act; and approved the project. There were no public or board comments. The motion carried unanimously.

Motion: Scalzitti
Second: Hedberg

17. The board authorized staff to call for bids and set October 22, 2019, at 10 a.m. as the date and time of the bid opening for the administration office landscape improvement project CIP20010; determined the project is exempt under the California Environmental Quality Act; and approved the project. There were no public comments. The motion carried 4:1.

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

Facilities Manager Joseph J. Garuba reviewed the board's previous design instructions and addressed project budget inquiries. Director Gracyk and Director Verbeke reported on the importance of partnering with the community, customers and the city of La Mesa to present professional landscaping as a valuable tool and demonstration of drought tolerant landscape.

18. The board appropriated funds in the amount of \$65,000 from schedule 84, item 3 of the fiscal year 2019-20 capital budget for the replacement of legacy server infrastructure at the operations center project CIP20102. There were no public comments. The motion carried unanimously.

Motion: McMillan

Second: Verbeke

Enterprise Architecture Manager Michaela A. Herrera provided a PowerPoint presentation and answered all questions regarding data, storage, specifications and pricing.

19. The board appropriated funds in the amount of \$120,000 from schedule 64, item 8 of the fiscal year 2019-20 capital budget for the design and survey for pipeline project CIP20002. There were no public comments. The motion carried unanimously.

Motion: Hedberg

Second: Scalzitti

Engineering Manager Milica K. Schipper provided a PowerPoint presentation and addressed all questions regarding boundaries, jurisdiction and permitting requirements.

REPORTS

20. The following reports for the months of July and August 2019 were provided. There were no public comments. Director Hedberg reported increased water sales.

- a) Financial
- b) Rainfall, Use and Storage
- c) System Demand
- d) Monthly Demand
- e) Conservation Status
- f) State Water Resources Control Board

ADJOURN TO CLOSED SESSION

President McMillan adjourned the meeting to closed session at 7:19 p.m. to reconvene closed session item 6. B.

ADJOURNMENT

21. President McMillan adjourned closed and open sessions at 7:40 p.m. There was no reportable action.



Daniel H. McMillan, President

ATTEST:



Sandra L. Janzen, Secretary of the Board