



Setting Standards of Excellence in Public Service

MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, November 20, 2019 – 5 p.m.
7811 University Avenue, La Mesa, CA 91942-0427

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

Staff present: Lugo, Tomasulo, Olney, Bryant, Janzen, Ross, Solano, Annett, Lundy, Malkin, Schipper, Pope, Curtis and Andrews. General Counsel Elizabeth W. Hull was also present.

Others present: Customer John L. Wood.

2. Director Scalzitti 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. There were no public comments. The motion to approve the agenda carried unanimously.

Motion: Hedberg
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. There were no public comments.
5. President McMillan adjourned to closed session at 5:02 p.m. to conduct a conference with real property negotiators.

CLOSED SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 13437 Lakeshore Drive, Lakeside, CA 92040 (APN: 395-080-42)

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

Negotiating Parties: Lonny Stephens

Under Negotiation: Price and Terms of Agreement

6. President McMillan adjourned closed session at 5:19 p.m. and reconvened open session at 5:20 p.m. Both President McMillan and District Counsel Elizabeth W. Hull confirmed that no reportable action was taken during closed session.

DISCUSSION

7. President McMillan provided the board with three written reports regarding the cost and demand of water at Rainbow Municipal Water District, bonds and fixed costs. There were no board or public comments.

Secretary of the Board Sandra L. Janzen reported the district received an email from Customer Jeff Serrano complimenting the outstanding customer service he received from Meter Reader Michael J. Gutierrez.

President McMillan also presented the board with the Association of California Water Agencies Joint Powers Insurance Authority President's Special Recognition Award for achieving a loss ratio of 20 percent or less in the property insurance program.

President McMillan requested additional signage at Harry Griffen Park and shared the Canine Corner fundraising flier. President McMillan reported attending the November 14, 2019 Cleantech San Diego meeting receiving a presentation by SDG&E regarding new electric charging infrastructure for heavy vehicles.

8. President McMillan, Vice President Gracyk and Director Scalzitti provided written reports. All board members reported attending the November 19, 2019 Council of Water Utilities breakfast meeting receiving a revitalization of the Salton Sea presentation by Executive Director of the Salton Sea Authority Phil Rosentrater.

In addition, Vice President Gracyk reported attending Helix Helps at Harry Griffen Park on Saturday, November 9, 2019, for the planting of approximately 200 trees. Vice President Gracyk requested future data regarding the survival rate of the newly planted greenery. Vice President Gracyk also reported attending a Lakeside polo event and a dedication and tour of the Cuyamaca College Veterans Student Center.

Director Verbeke detailed the November 14, 2019 San Diego River Conservancy meeting and mentioned proposed changes planned for the Mission Valley area with the addition of bike lanes and bridges.

Director Scalzitti reported the San Diego County Water Authority conducted a special board meeting to interview the top three candidates for the SDCWA's general manager position. Director Scalzitti also reported attending the Special Water Quality and Resources Committee meeting with Director Verbeke on November 18, 2019, to receive updates regarding the Environmental Protection Agency, dam safety, sampling stations and ozone. Director Scalzitti commended staff for their ability to improve ozone efficiency.

Director Hedberg reported attending Helix Helps on November 9, 2019; the November 13, 2019 San Diego East County Chamber of Commerce Economic Symposium; November 14 San Diego County Water Authority Closed Session meeting to interview candidates for the general manager position; November 16, 2019 Water Conservation Garden 20th Anniversary celebration and the November 19, 2019 Council of Water Utilities meeting. Discussion ensued regarding the upcoming November 21, 2019 SDCWA Board of Directors meeting regarding a settlement offer from Metropolitan Water District of Southern California. President McMillan requested the board place the settlement agreement on a board meeting agenda when appropriate. Director Hedberg also reported the SDCWA audit report is clean and that the board will discuss a process for agencies interested in detachment from the SDCWA's service area. The Mother Goose parade was also mentioned. There were no public comments.

9. General Manager Carlos V. Lugo detailed the upcoming agenda items for the meetings scheduled on December 16, 18 and 19, 2019; January 2, 8 and 15, 2020 and reminded the board to let him know if there are any questions regarding the General Managers Member Agencies meeting PowerPoint presentations. General Manager Lugo provided his vacation days to the board and wished the board a happy Thanksgiving holiday from staff. There were no public comments.
10. General Counsel Elizabeth W. Hull had nothing additional to report. There were no public comments.

CONSENT AGENDA

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

Motion: Scalzitti
Second: Verbeke

- a) Memorandum dated November 20, 2019, from the Secretary of the Board Sandra L. Janzen submitting expense and per diem claims was approved.
- b) The board approved the minutes of the November 6, 2019 regular board meeting.
- c) The following operating account checks submitted for ratification were approved:
 - i. Checks dated November 8, 2019
 - ii. Checks dated November 15, 2019
- d) The board adopted the following resolutions:
 - i. Resolution 19-55 declaring construction complete and authorized filing a notice of completion for Grossmont High School M&O building project RMB18004
 - ii. Resolution 19-56 declaring construction complete and authorized filing a notice of completion for Westmont Assisted Living project RMB18048
 - iii. Resolution 19-57 declaring construction complete and authorized filing a notice of completion for iWash Express project RMB18073

ACTION ITEMS

12. The board considered changes to the policies and procedures manual and set December 18, 2019 at 5 p.m. as the date and time for the public hearing. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Verbeke

General Manager Carlos V. Lugo introduced the item and the board discussed suggested changes to the policies and procedures manual. The board agreed to modify the following redline sections of the manual:

Director Hedberg requested age be referenced consistently throughout Section 8.1-7 (B)(2) and (C)(2) to change the eligibility age for group dental and vision insurance for children and stepchildren to a maximum of 26 years of age.

The board agreed to omit the redline suggestion in Section 9.1-3(A)(2).

The board added: “The general manager, shall as a courtesy provide a draft of the agenda to the president prior to publication” to Section 9.1-4(A).

Discussion ensued regarding the redline changes.

13. The board adopted Resolution 19-54 appointing Joel A. Scalzitti as Ex Officio Director for the East County Advanced Water Purification Joint Powers Authority Board of Directors and Kathleen Coates Hedberg as alternate to represent Helix Water District. There were no public comments. The motion carried unanimously.

Motion: Verbeke

Second: Hedberg

President McMillan requested the minutes reflect his sensitivity to a financial agreement, the cost of product water and legal review of the project. President McMillan also reported rotating board members through the various boards and committees sharpens procedures and supports staff in their responsibilities.

14. The board adopted Resolution 19-53 authorizing the sale of a 5,625-square-foot lot in the city of La Mesa; approved the purchase and sale agreement with Joseph Compton; authorized General Manager Carlos V. Lugo to execute all documents necessary to close the transaction. There were no public comments. The motion carried unanimously.

Motion: Verbeke

Second: Scalzitti

Senior Right of Way Agent/Environmental Analyst Debra S. Lundy provided a PowerPoint presentation. There were no board comments.

15. The board adopted Resolution 19-52 awarding construction of the R.M. Levy Water Treatment Plant HVAC replacement project CIP19023, to the lowest responsible bidder submitting a responsive bid, SWCS Inc., in the amount of \$760,995; appropriated funds in the amount of \$948,000 from schedule 64, item 23 of the fiscal year 2019-20 capital budget. There were no public comments. The motion carried unanimously.

Motion: Scalzitti

Second: Hedberg

Director of Engineering James A. Tomasulo provided a PowerPoint presentation and answered all questions regarding the project timeline beginning in January with completion expected in the summer. President McMillan suggested schedule and item numbers be removed from future board reports.

16. The board authorized staff to call for bids and set December 19, 2019 at 10 a.m. as the date and time of the bid opening for the treatment plant safety improvements project CIP20015; determined the project is exempt under the California Environmental Quality

Act and approved the project. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Hedberg

Engineering Manager Milica K. Schipper provided a PowerPoint presentation and answered all questions regarding project materials.

17. The board appropriated funds in the amount of \$66,000 from schedule 64, item 16 of the fiscal year 2019-20 capital budget for the Carmichael pipe condition assessment project CIP19016. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Verbeke

Engineering Manager Milica K. Schipper provided a PowerPoint presentation and answered all questions with the assistance of General Manager Carlos V. Lugo regarding the future development of a systematic plan for replacement of services.

18. The board authorized General Manager Carlos V. Lugo to execute an amendment to the as-needed trucking, hauling and spoil separation services contract with McLeod Trucking in the amount of \$130,000 for the remaining term of the contract at the recommendation of the Engineering and Operations Committee. There were no public comments. The motion carried unanimously.

Motion: Verbeke
Second: Gracyk

Field Operations Manager Oliver K. Malkin presented the board report and answered all questions regarding the term of the contract, increased volume of main breaks, spoil separation and the grizzly screen being used in-house to manage costs.

REPORTS

19. The board received the following reports for the month of October 2019:

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

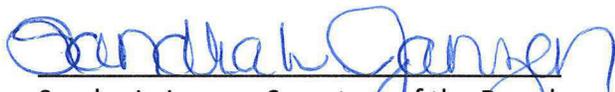
There were no public comments. President McMillan requested rain totals be shared at a future date.

ADJOURNMENT

20. President McMillan adjourned the meeting at 7:29 p.m.


Daniel H. McMillan, President

ATTEST:


Sandra L. Janzen, Secretary of the Board