



Setting Standards of Excellence in Public Service

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

1. President McMillan called the regular board meeting to order at 5:26 p.m. The roll call showed a quorum of the board present: Directors McMillan, Gracyk, Verbeke, Scalzitti and Hedberg.

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

Others present: Customers John L. Wood and Larry Nichols, Union Tribune Reporter Karen Pearlman and CV Strategies Vice President Tara Bravo were present.

2. President McMillan 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 and requested item 12 be placed after item 16 to accommodate CV Strategies Vice President Tara Bravo's travel. There were no public comments. The motion to approve the agenda with a revised order carried unanimously.

Motion: Hedberg
Second: Verbeke

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.

DISCUSSION

5. President McMillan thanked the board and executive staff for a productive year and reported as outgoing president he would like the new chair to focus on the development of Lake Jennings while limiting the financial terms of the Harry Griffin Park Joint Powers

Authority agreement. President McMillan also provided an oral report regarding the Association of California Water Agencies conference December 2 through 6, 2019 and the Colorado River Water Users Association conference December 11 through 13, 2019, noting water augmentation discussions, water transportation fees and over allocation of the Colorado River. There were no board or public comments.

6. President McMillan, Vice President Gracyk and Directors Verbeke and Scalzitti provided written reports. All board members reported attending the Association of California Water Agencies conference on various dates between December 2 and 6, 2019 and the Colorado River Water Users Association conference December 11 through 13, 2019.

In addition, Vice President Gracyk shared an email he received from a customer complimenting the excellent service provided by Customer Service Representative Michelle I. Harrison. Vice President Gracyk also reported attending the La Mesa Environmental Sustainability Commission meeting December 16, 2019, confirming that San Diego Gas and Electric will be providing energy grant funds to school and parks.

Director Scalzitti highlighted a Prop 218 session he attended at the ACWA conference while Director Hedberg highlighted Governor Newsom's proposed resiliency plan expected to be published prior to 2020.

Director Hedberg also reported that the San Diego County Water Authority Board of Directors will meet December 19, 2019, to review Metropolitan Water District of Southern California's settlement offer with the SDCWA. Discussion ensued. General Manager Carlos V. Lugo reported he will attend the open session and remains optimistic as the SDCWA works to protect future water rights and rates. There were no public comments.

7. General Manager Carlos V. Lugo detailed the upcoming agenda items for the meetings scheduled on January 8, 14 and 15, 2020 and reminded the board of the January 25, 2020 8:30 a.m. Water Talks at the administration office. Mr. Lugo wished the board a happy holiday season and New Year on behalf of the leadership team and staff. Mr. Lugo also thanked President McMillan for his service as board chair. There were no public comments.
8. General Counsel Elizabeth W. Hull wished the board happy holidays with nothing additional to report. There were no public comments.

CONSENT AGENDA

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

Motion: Scalzitti
Second: Hedberg

- a) Memorandum dated December 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. November 18, 2019 special Water Quality and Resources Committee meeting
 - ii. November 20, 2019, regular board meeting
- c) The following operating account checks submitted for ratification were approved:
 - i. Checks dated November 22, 2019
 - ii. Checks dated December 6, 2019
 - iii. Checks dated December 13, 2019
- d) The board adopted the following resolutions:
 - i. Resolution 19-58 authorizing the execution of the quitclaim of an easement in unincorporated La Mesa, county of San Diego, state of California, over portions of assessor parcel numbers 502-100-56 and 502-100-57
 - ii. Resolution 19-59 authorizing the execution of the quitclaim of an easement in the city of El Cajon, county of San Diego, state of California, over a portion of assessor parcel number 482-270-56
 - iii. Resolution 19-60 authorizing the execution of the quitclaim of an easement in the city of El Cajon, county of San Diego, state of California, over portions of assessor parcel numbers 492-643-01 through 492-643-06
 - iv. Resolution 19-61 authorizing the execution of the quitclaim of an easement in the city of La Mesa, county of San Diego, state of California, over a portion of assessor parcel number 470-492-29
- e) Attendance Consideration
The board approved the following attendance consideration:
 - i. East County Advanced Water Purification Project

Meeting with Helix Water District Staff
November 22, 2019 at 10 a.m.
Helix Water District Administration Office

ELECTION

10. The board elected officers to serve a one-year term per Section 9.1-3 of the policies and procedures manual and adopted Resolution 19-62 appointing President Mark Gracyk and Vice President DeAna R. Verbeke.

General Manager Carlos V. Lugo chaired the meeting for the election of the president accepting a nomination by Director Hedberg (a second was provided by Director Scalzitti) for Director Gracyk to serve as President. The board elected President Gracyk unanimous through a roll call vote.

General Manager Lugo turned the meeting over to President Gracyk to conduct an election for Vice President. President Gracyk nominated (a second was provided by Director Scalzitti) for Director Verbeke to serve as Vice President. The board elected Vice President Verbeke unanimously through a roll call vote.

Congratulations were provided to the new officers. President Gracyk presented Past President McMillan with a gavel on behalf of the board and staff in gratitude for Director McMillan's service as board president.

President Gracyk adjourned the meeting at 5:56 p.m. to changes seats at the dais and for photographs. President Gracyk reconvened the meeting at 5:58 p.m.

ACTION ITEMS

11. The board conducted a public hearing to receive comments on miscellaneous fees and charges proposed for 2020 in the policies and procedures manual and adopted Resolution 19-63 approving and authorizing adoption of the policies and procedures manual, effective January 1, 2020. The motion carried unanimously.

Motion: Scalzitti
Second: Gracyk

President Gracyk opened and closed the public hearing at 6 p.m. There was no one to be heard for the public hearing.

12. Item 12 was moved to the end of the meeting to allow CV Strategies Vice President Tara Bravo to participate in the presentation and discussion.

13. The board adopted Resolution 19-64 approving the \$5 million interfund loan agreement between the Helix Water District's land sales reserve and the Helix Water District's general fund and authorized General Manager Carlos V. Lugo to execute said agreement. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Hedberg

Director of Administrative Services Jennifer C. Bryant presented item 13 and answered all questions regarding flexibility of the agreement and interest earnings.

14. The board authorized President Gracyk to cast a ballot and sign the vote certification on behalf of the district selecting: Michael Sims, James E. Gordon, Robert Thomas, Albert C. Lau, Courtney G. Provo, Kimberly A. Thorner, Brian Boggeln and Mark Robak to serve on the San Diego County Local Agency Formation Commission Special Districts Advisory Committee. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Hedberg

15. The board adopted Resolution 19-65 declaring construction complete and authorized filing a notice of completion for the pipeline project CIP19005. There were no public comments. The motion carried unanimously.

Motion: Scalzitti
Second: Hedberg

Engineering Manager Timothy J. Ross provided a PowerPoint presentation and accepted Vice President Verbeke's expression of gratitude regarding the planning and handling of construction projects.

REPORTS

16. The board received the following reports for the month of November 2019:

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

Finance Manager Amy L. Pope and Director of Water Quality/System Operations Brian M. Olney detailed the reports. General Manager Carlos V. Lugo reported rebates have been provide to 85 customers for leak detection devices and additional funds have been received. There were no public or board comments.

President Gracyk recessed the meeting at 6:30 p.m. to continue the special closed session meeting. President Gracyk reconvened the regular board meeting at 7:10 p.m. to consider item 12.

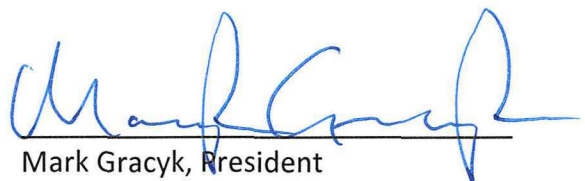
The board authorized General Manager Carlos V. Lugo to execute an agreement for professional services between Helix Water District and CV Strategies in an amount not-to-exceed \$60,500. There were no public comments. The motion carried unanimously.

Motion: Hedberg
Second: Verbeke

Senior Public Affairs Representative Michelle M. Curtis introduced CV Strategies Vice President Tara Bravo and provided a PowerPoint presentation. Ms. Curtis, Ms. Bravo, Director of Administrative Services Jennifer C. Bryant and General Manager Carlos V. Lugo answered all questions regarding the selection process, pricing, schedule flexibility and the needs of a diverse population. The board articulated the desire for board involvement in the Prop 218 process with clear communication and transparency.

ADJOURNMENT

17. President Gracyk adjourned the meeting at 7:35 p.m.


Mark Gracyk, President

ATTEST:


Sandra L. Janzen, Secretary of the Board