



Setting Standards of Excellence in Public Service

MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
Wednesday, September 16, 2020 – 4 p.m.
7811 University Avenue, La Mesa, CA 91942-0427
Virtual Meeting

1. President Gracyk called the special board meeting to order at 4:03 p.m. and turned the meeting over to Board Secretary Sandra L. Janzen to verify all board members, staff and members of the public could hear one another and that everyone could identify the board members by voice recognition or video image.

The roll call showed a quorum of the board present via electronic conferencing software. Directors Gracyk, Verbeke, Hedberg, Scalzitti and McMillan were present.

Staff present: Lugo, Tomasulo, Olney, Bryant, Miller, Ross, Janzen, Pope, Schipper and Curtis. General Counsel Elizabeth W. Hull, Lutfi Kharuf and Whitney Blackhurst of Best Best & Krieger were also present.

Others present: San Diego County Water Authority Principal Public Affairs Representative Risa Brown and Brownstein Hyatt Farber Schreck Policy Assistant Victoria Barba.

2. Vice President Verbeke 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 or board comments. The motion to approve the agenda carried unanimously by roll call vote.

Motion: Verbeke
Second: Hedberg

4. President Gracyk 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.

CONSENT AGENDA

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

Motion: Hedberg

Second: Verbeke

- a) Memorandum dated September 16, 2020, 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. July 15, 2020, regular board meeting
 - ii. July 22, 2020, Committee of the Board meeting
 - iii. August 21, 2020, special board meeting
 - iv. August 31, 2020, special board meeting
- c) The operating account checks submitted for ratification were approved:
 - i. Checks dated July 17, 2020
 - ii. Checks dated July 24, 2020
 - iii. Checks dated July 31, 2020
 - iv. Checks dated August 7, 2020
 - v. Checks dated August 14, 2020
 - vi. Checks dated August 21, 2020
 - vii. Checks dated August 28, 2020
 - viii. Checks dated September 4, 2020
 - ix. Checks dated September 11, 2020
- d) The board adopted the following resolutions:
 - i. Resolution 20-28 authorizing the execution of the quitclaims of an easement over portions of assessor parcel numbers 483-071-57 thru 59 in the city of El Cajon, county of San Diego, state of California
 - ii. Resolution 20-31 declaring construction complete and authorized filing a notice of completion for East Park Avenue homes project RMB18124
 - iii. Resolution 20-32 declaring construction complete and authorized filing a notice of completion for Settlers Point Self-Storage project RMB18101
 - iv. Resolution 20-33 declaring construction complete and authorized filing a notice of completion for El Cajon Valley High School project RMB18089

- v. Resolution 20-34 declaring construction complete and authorized filing a notice of completion for The Salvation Army project RMB18002
 - vi. Resolution 20-35 declaring construction complete and authorized filing a notice of completion for Hampton Inn project RMB18049
- e) The board approved the following attendance considerations:
- i. San Diego County Local Agency Formation Commission
Videoconference, August 3, 2020 at 9 a.m.
 - ii. National Water Resources Association
Western Water Table Talk Virtual Interactive Sessions
August 6, 13, 19, 20, 27; September 10 and 17, 2020 at 11 a.m.
 - iii. Urban Water Institute Informative Discussion
Webinar, August 19, 2020 at 9:30 a.m.

ACTION ITEMS

6. The board adopted Resolution 20-36 declaring construction complete; authorized filing a notice of completion for Lake Jennings boat dock replacement project CIP20007; and appropriated additional funds in the amount of \$14,000 from the fiscal year 2020-21 capital budget. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Scalzitti
Second: McMillan

Assistant Director of Engineering Timothy J. Ross provided a PowerPoint presentation and video of the construction process. Gratitude was expressed to the public affairs team for production of the video. Mr. Ross and General Manager Carlos V. Lugo answered all questions regarding public response and assistance for those with disabilities available at one of the fishing areas. The board recognized the work of staff on this project and staff thanked the board and the Parks, Land, Lakes and Garden Committee for their support.

7. The board rejected the apparent lowest bid submitted by Kay Construction Co. as nonresponsive; rejected the bid protest received from S.C. Valley Engineering Inc. as moot and waived the minor irregularity related to the execution of the bid bond in S.C. Valley Engineering Inc.'s bid. The board adopted Resolution 20-37 awarding construction of pipeline project CIP19001, to the lowest responsible bidder submitting a responsive bid, S.C. Valley Engineering Inc., in the amount of \$2,735,500; and appropriated funds in the amount of \$3,330,000 from the fiscal year 2020-21 capital budget. There were no

public comments. The motion carried unanimously by roll call vote.

Motion: Scalzitti
Second: Hedberg

Director of Engineering James A. Tomasulo provided a PowerPoint presentation and answered all questions with the assistance of General Manager Carlos V. Lugo and General Counsel Elizabeth W. Hull regarding the waiver process, Kay Construction's prior bidding experience with the district and the minor irregularity of S.C. Valley Engineering's bond. Director Hedberg noted the bid came in \$400,000 below the engineer's estimate. President Gracyk verified the timing of the project completion could delay to fiscal year 2021-22 based on the challenges of securing materials for the project during the pandemic.

8. The board approved the water supply assessment for the Alvarado Specific Plan project RMB20071. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Scalzitti
Second: Hedberg

Assistant Director of Engineering Timothy J. Ross provided a PowerPoint presentation and answered all questions, with the assistance of General Manager Carlos V. Lugo and General Counsel Elizabeth W. Hull, regarding the benefits such a project would have on reporting requirements to the State Water Resources Control Board due to the low outdoor water use footprint and La Mesa City Council's support of these types of projects. There was limited discussion regarding the role of land use agencies. Director McMillan detailed the district's need for a capacity fee study. All board members expressed excitement for the project and appreciation for the Water Supply Assessment prepared by Fuscoe Engineering Inc.

DISCUSSION

9. President Gracyk thanked the board for the legislative recess and reported that he continued to meet with the general manager regularly. President Gracyk attended the August 31, 2020 special board meeting at Lake Jennings, discussed ADA compliance with a customer from El Cajon, appreciated the positive responses to the board's letter to Metropolitan Water District of Southern California and attended the Counsel of Water Utilities virtual meeting on September 15, 2020.

Secretary of the Board Sandra L. Janzen reported that the district received a card, two phone calls and three emails from customers complimenting the outstanding service provided by: the public affairs team, Customer Service Specialist Jerry Andrade, Valve Maintenance Technician Marcus A. Roberti, Customer Service Representative Michelle I.

Harrison, Customer Service Representative Marlene Young, Equipment Operator Taidgh D. Horan, Utility Crew Members: John D. Wilson, Garrett T. Hurst and Michael J. Russell.

10. President Gracyk, Vice President Verbeke, Director Scalzitti, Director Hedberg and Director McMillan provided written reports. Each board member referred to the meetings they attended during the legislative recess and covered in the per diem claims report (item 5 a).

In addition, Director McMillan expressed that he has some sensitivities in regards to a legislative recess that he would like to share and have considered prior to planning for next year. Director Hedberg reported that the San Diego County Water Authority has delayed taking action in regards to the regional water conveyance project until November. General Manager Carlos V. Lugo reported that the SDCWA will conduct additional presentations and has a tentative meeting planned for the SDCWA Member Agency Managers and public in mid-October to provide an economic analysis. Director Hedberg noted that the SDCWA Board will consider relief for a late payment for the City of Carlsbad and discussed the selection of officers planned for the September 24, 2020 meeting. Limited discussion ensued regarding the candidates for secretary.

Director Scalzitti reported that he attending the September 18, 2020 San Diego Local Agency Formation Commission Advisory Committee and the October 1, 2020 Advanced Water Purification JPA Special Meeting. Director Scalzitti expressed his appreciation for the district's special board meeting at Lake Jennings on August 31, 2020. There were no public comments.

11. General Manager Carlos V. Lugo detailed the upcoming agenda items for the board meetings scheduled on September 23, 25 and October 7, 2020, with the possibility of moving the October 1, 2020 Parks, Land, Lakes and Garden Committee meeting to a later date. Mr. Lugo also reported the SDCWA Member Agency Managers meeting presentations were emailed to the board. Mr. Lugo reported the COVID-19 Response Team continues to meet weekly with the employees' daily temperatures taken and masks worn. Mr. Lugo reported customers have adjusted well to the COVID-19 protocols with no negative concerns. Mr. Lugo thanked the board for their support of staff's safety during the pandemic.

Mr. Lugo reminded the board to provide their comments in regards to the draft response to LAFCO regarding detachment of Rainbow Municipal Water District and Fallbrook Public Utility District to Board Secretary Sandra L. Janzen prior to September 18, 2020. Mr. Lugo also detailed the Metropolitan Water District of Southern California board meeting in regards to the budget, a mid-year review, a moratorium on any additional non-budgeted projects, issuance of \$255 million in debt and allowing for debt deferral. There were no public comments.

12. General Counsel Elizabeth W. Hull reported she is working closely with staff and monitoring all executive orders in response to COVID-19. Ms. Hull also reported she will provide details during the October 7, 2020 board meeting regarding Assembly Bill 992 related to open meetings, local agencies and social media. Lutfi Kharuf and Whitney Blackhurst of Best Best & Krieger were introduced for the upcoming closed session items. There were no public comments.

REPORTS

13. The board received the reports for the month of July 2020:

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

Director Hedberg noted that water sales increased by 15 percent with an increase in single-family residential use and the high temperatures. There were no public comments. President Gracyk adjourned the meeting for a break at 5:55 p.m. and reconvened the meeting at 6:04 p.m.

ADJOURNMENT TO CLOSED SESSION

14. General Manager Carlos V. Lugo introduced the items to be discussed in closed session. There were no public comments prior to President Gracyk's adjournment of open session at 6:06 p.m. for closed session.

CLOSED SESSION

- A. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**
Government Code Section 54956.9 (d)(1)
Name of Case: Bonnie Kessner and Andrea McCartney-Page, et al. vs. City of Santa Clara et al., Santa Clara Co. Sup. Ct.
Case Number 20CV364054
- B. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**
Initiation of litigation pursuant to Government Code Section 54956.9 (d)(4)
Number of cases: 1
- C. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
Pursuant to Government Code Section 54957
Title: General Counsel

ADJOURNMENT OF CLOSED SESSION

President Gracyk adjourned closed session and reconvened open session at 6:49 p.m. There was no reportable action. There were no public comments.

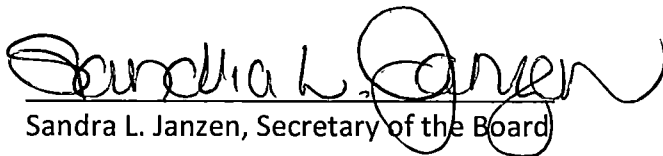
ADJOURNMENT

15. President Gracyk adjourned the special board meeting at 6:50 p.m.



Mark Gracyk, President

ATTEST:



Sandra L. Janzen, Secretary of the Board