



*Setting Standards of Excellence in Public Service*

**MINUTES  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
Wednesday, October 21, 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 4:05 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, Scalzitti, Hedberg and McMillan were present.

Staff present: Lugo, Tomasulo, Olney, Bryant, Miller, Ross, Janzen, Pope, Schipper and Lundy. General Counsel Elizabeth W. Hull and Bruce Beach of Best Best & Krieger were also present.

Others present: San Diego County Water Authority Principal Public Affairs Representative Risa Brown was present.

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

Motion: Verbeke  
Second: Hedberg

Director McMillan suggested changing the order of the agenda items to allow the directors to hear from other board members without feeling rushed. Director McMillan reported all board packages include detailed reports by staff that could allow the meeting to move more quickly through the action items. President Gracyk requested Director McMillan bring this topic up during Directors Comments.

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 October 21, 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. October 5, 2020, special Parks, Land, Lakes & Garden Committee meeting
  - ii. October 7, 2020, special board meeting
  - iii. October 14, 2020, Engineering and Operations Committee meeting
- c) The operating account checks submitted for ratification were approved:
  - i. Checks dated October 9, 2020
  - ii. Checks dated October 16, 2020
- d) The board approved the following attendance consideration:
  - i. Urban Water Institute – Informative Discussion  
Metropolitan Water District of Southern California  
General Manager Jeff Kightlinger  
Webinar, October 21, 2020 from 9:30 to 11:30 a.m.

### **ACTION ITEMS**

6. The board cast a ballot for the San Diego East County Chamber of Commerce board members to serve during the 2021-2023 term following the recommendation of the chamber nomination committee. The board instructed staff to submit votes for David Johnston, Catherine Martin, Patrick Osio III, Lance Ruiz, Bob Scheid, Justin Schaepli, Marcus Sharp and Nick Zundel. There were no public comments. The motion carried unanimously by roll call vote.

Motion: McMillan  
Second: Verbeke

### **INFORMATION ITEM**

7. The board received a PowerPoint presentation on the district's CalPERS and other postemployment benefit plans by Director of Administrative Services Jennifer C. Bryant. The board requested that the Finance and Administration Committee continue to model the impact of varying dollar amounts from \$750,000, toward the unfunded liability; to review the CalPERS employer cost rate percentages, amortization period and discount rate; to consider a CalPERS Section 115 Trust with potential to outperform the Local Agency Investment Fund and report back to the full board. Director McMillan reported the importance of board input for the modeling and other items.

### **DISCUSSION**

8. President Gracyk thanked staff for the annual report with professional graphics, photos and transparency; the three letters of support sent to chairs of the San Diego County Water Authority and Metropolitan Water District of Southern California and to MWD in support of the flow monitoring devices. President Gracyk thanked General Manager Carlos V. Lugo for the regular one-on-one meetings as his presidential term nears the end and encouraged the board to attend SDCWA's October 27, 2020 Regional Water Conveyance System Workshop from 10 a.m. to noon. President Gracyk also reported that SDCWA Chair Croucher will be attending member agency meetings virtually.

Secretary of the Board Sandra L. Janzen reported that the district received several phone calls from customers complimenting the outstanding service provided by: Customer Service Representative Marlene Young, Water Conservation Representative Thomas W. Speer, Valve Maintenance Technicians Geoffrey M. Menta and Ashley J. Bond.

9. President Gracyk, Vice President Verbeke, Director Hedberg and Director McMillan provided written reports. President Gracyk and Vice President Verbeke reported attending the October 14, 2020 Engineering and Operations Committee meeting and referred the board to the minutes included in the board package materials.

Vice President Verbeke also reported strategic planning continues at the Water Conservation Garden; the Association of California Water Agencies Regions 9 and 10 are collaboratively developing a one-hour session for the fall conference regarding the Colorado River and the Salton Sea. Vice President Verbeke attended the October 21, 2020, East County Economic Development Committee receiving a legislative summary and information regarding Proposition 15.

Director Scalzitti provided Proposition 15 information and reported he is seeking additional details from San Diego County Water Authority staff regarding the removal of \$10 million in debt for the financial statements, as discussed during a recent SDCWA Audit Committee meeting.

Director Hedberg reported the San Diego Chapter of the California Special Districts Association is seeking new members and is accepting applications for officers. Director Hedberg reported attending a California Water Policy webinar on October 20, 2020 regarding diversity and changes in the workplace. In addition, Director Hedberg attended the October 21, 2020 Urban Water Institute meeting with Metropolitan Water District of Southern California General Manager Jeff Kightlinger focusing on future planning of large projects through regional collaboration.

Director Hedberg reported that the San Diego County Water Authority Board of Directors will meet October 22, 2020, with newly elected Chair Croucher and will discuss regional water management to assist Lake Hodges in maintaining a maximum of 13,000 acre-feet of water. Director Hedberg also shared her delight that MWD's board of directors approved the flow-monitoring program, and will be seeking additional grant funds.

Director McMillan referred to his written reports provided in the consent agenda and reported he is receiving customer questions regarding fixed charges on customer water bills. Director McMillan reported attending Politics in Paradise at the Water Conservation Garden and expressed approval of the event and venue. Director McMillan restated his suggestion to changing the order of the agenda items to cover discussion items first in the interest of having more time to hear from board members, General Manager Carlos V. Lugo and District Counsel Elizabeth W. Hull without feeling rushed for time. President Gracyk thanked Director McMillan for his suggestion and reported that the order of the agenda is set by the board chair and President Gracyk looks forward to hearing how the next board chair may want to structure the meeting. There were no public comments.

10. General Manager Carlos V. Lugo detailed the upcoming agenda items for the board meetings scheduled on October 28, 29, November 4, 18 and 25, 2020. The board agreed to cancel the November 25, 2020 Committee of the Board meeting due to the holiday and requested Mr. Lugo add the board meeting schedule to the next agenda to discuss the December meetings. Mr. Lugo encouraged the board to attend the SDCWA Regional Water Conveyance System workshop on October 27, 2020 at 10 a.m. with the possibility of SDCWA presenting at a future district meeting if additional information is needed. There were no public comments.
11. General Counsel Elizabeth W. Hull referenced sections of the Ralph M. Brown Act in response to board questions regarding what is allowable during the agenda discussion items. Discussion ensued regarding the limits to brief reports, announcements and basic questions. Ms. Hull reminded the board of the importance of including all topics on published agendas for customer notification. Ms. Hull reminded the board that topics of board interest should be added to future agendas. Ms. Hull also provided an update regarding the Kesner litigation. There were no public comments.

## **REPORTS**

12. The board received the reports for the month of September 2020 and the quarterly reports:

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

Director Hedberg noted that water sales are still up due to high temperatures, although the San Diego County Water Authority reported water purchases are down regionally. There were no public comments. President Gracyk adjourned the meeting for a break at 6:01 p.m. and reconvened the meeting at 6:09 p.m.

## **ADJOURNMENT TO CLOSED SESSION**

13. General Counsel Elizabeth W. Hull introduced the items to be discussed in closed session. There were no public comments prior to President Gracyk's adjournment of open session at 6:10 p.m. for closed session.

## **CLOSED SESSION**

### **A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Government Code Section 54956.8

Property: El Monte Valley, Unincorporated Lakeside, San Diego, CA  
(APN: 392-050-47 and 392-060-43)

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: County of San Diego  
River Valley Equestrian Center

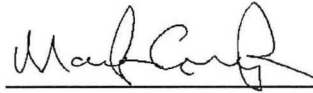
Under Negotiation: Price and Terms of Agreement

## **ADJOURNMENT OF CLOSED SESSION/RECONVENE OPEN SESSION**

14. President Gracyk adjourned closed session and reconvened open session at 7:14 p.m. There was no reportable action. There were no public comments.

**ADJOURNMENT**

15. President Gracyk adjourned the special board meeting at 7:15 p.m.



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Mark Gracyk, President

**ATTEST:**



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Sandra L. Janzen, Secretary of the Board