



Setting Standards of Excellence in Public Service

**MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS
Wednesday, April 21, 2021 – 3 p.m.
7811 University Avenue, La Mesa, CA 91942-0427
Virtual Meeting**

OPEN MEETING

1. President Scalzitti called the April 21, 2021, regular board meeting to order at 3:01 p.m. The meeting was turned 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 Scalzitti, Hedberg, McMillan, Gracyk and Verbeke were present.

Staff present: Lugo, Tomasulo, Olney, Bryant, Ross, Janzen, Roff, Berens, Schipper, Pope, Lundy, Garuba, Curtis and Uhrhammer. General Counsel Elizabeth W. Hull and Kimberly Hood of Best Best & Krieger were also present.

Others present: Vice President and Executive Committee Member of the Association of California Water Agencies Pamela Tobin, Brownstein Hyatt Farber Schreck Policy Advisor Victoria Barba and two unidentified customers were present.

2. Vice President Hedberg provided an invocation and led the Pledge of Allegiance.
3. General Manager Carlos V. Lugo reported there are two closed session items to be added to the agenda. District Counsel Elizabeth W. Hull reported that after the agenda was posted on April 16, 2021 for the April 21, 2021 regular board meeting, the district received correspondence related to anticipated litigation. In order to appropriately respond before the next board meeting, the board would need to add these items to today's agenda.

Ms. Hull reminded the board that an item may be added to the agenda by a two-thirds vote of the directors if there is a need to take immediate action and that the need for such action came to the district's attention after the agenda was posted. To proceed with adding the items to the agenda, the board was required to make a motion and a second for a closed session conference with legal counsel. The motion carried unanimously to conduct the following closed session following presentation item 6.

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9

Number of Cases: 2

There were no public comments. The motion to approve the agenda with the addition of a second closed session carried unanimously by roll call vote.

Motion: Gracyk
Second: Hedberg

PUBLIC COMMENTS

4. President Scalzitti 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 April 21, 2021, 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. April 7, 2021, regular board meeting
 - ii. April 7, 2021, special board meeting
 - iii. April 14, 2021, Engineering and Operations Committee meeting
- c) The operating account checks submitted for ratification were approved:
 - i. Checks dated April 9, 2021
 - ii. Checks dated April 16, 2021
- d) The board adopted Resolution 21-24 declaring construction complete and authorized filing a notice of completion for the 7604 El Cajon Townhomes project RMB18064

PRESENTATION

6. The board received a presentation by Vice President and Executive Committee Member of the Association of California Water Agencies Pamela Tobin of a refund check in the amount of \$304,987.16 from the district's liability, workers' compensation and property insurance. Ms. Tobin highlighted staff's hard work and dedication to safety, in order to keep insurance premiums low. The board thanked Ms. Tobin for the presentation. Director McMillan requested a breakdown of the refund check, with a desire to potentially share a portion of the workers' compensation refund with staff in some manner. General Manager Carlos V. Lugo confirmed that staff has the requested information. Ms. Tobin invited the board to attend the fall Association of California Water Agencies conference in Pasadena.

ACTION ITEMS

7. The board authorized General Manager Carlos V. Lugo to execute a first amendment to the existing amended and restated Cuyamaca Operating Agreement with Lake Cuyamaca Recreation and Park District adding dam keeper responsibilities. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Verbeke
Second: Hedberg

System Operations Manager Michelle P. Berens provided a PowerPoint presentation and answered all questions with the assistance of General Manager Carlos V. Lugo and Director of Water Quality/System Operations Brian M. Olney. Vice President Hedberg verified that although the district will not have hiring control of the dam keeper position the basic job requirements must be met and the district can address any performance issues with the Lake Cuyamaca Recreation and Park District. President Scalzitti and Director McMillan reported this is a great solution and confirmed that if the amendment does not work for the district it can be changed while keeping the agreement in place.

8. The board adopted Resolution 21-23 ratifying the approval of the purchase and sale agreement with Victoria Crandall, Lawrence Crandall and Stephanie T. Hankey for a surplus lot in the city of La Mesa, assessor parcel number 470-680-16 and authorized General Manager Carlos V. Lugo to make adjustments as needed to the purchase and sale agreement to close escrow. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Hedberg
Second: Scalzitti

Director of Engineering James A. Tomasulo presented the item. There were no board comments.

9. The board appropriated additional funds in the amount of \$42,000 for the acquisition and outfitting of vehicles identified in the fiscal year 2020-21 budget. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Hedberg
Second: McMillan

Facilities Manager Joseph J. Garuba provided a PowerPoint presentation detailing the increased costs driven by the pandemic and answered all questions with the assistance of President Scalzitti regarding the third rear axle added to the GapVax. Mr. Garuba reported that the axle meets state weight regulations. President Scalzitti agreed that the axle will increase capacity and efficiency. Engineering and Operations Committee Chair Verbeke and Vice Chair Hedberg reported reviewing the information thoroughly at the committee level. Director Gracyk reviewed the costs associated with the outfitting of the inspectors' F-150 pickup trucks.

REPORTS

10. The board received the reports for the month of March 2021 and quarterly reports:

- a) Financial
- b) Claims
- c) Rainfall, Use and Storage
- d) System Demand
- e) Monthly Demand
- f) Conservation Status
- g) East County Advanced Water Purification Program
- h) Capital Improvement Program

Director of Administrative Services Jennifer C. Bryant reported that the district continues to outperform the budget with water sales up 5 percent or \$5.6 million. Ms. Bryant also reported that cash funds are good, greatly due to land sales. Director Gracyk shared that Governor Newsom declared a drought emergency in the northern portion of the state and verified that rain totals are just over 21 inches with 500-acre feet of runoff.

Director of Water Quality/System Operations Brian M. Olney detailed the Lake Jennings quarterly financial report stating the performance is \$30,000 above this time last year due to the restructuring of hours and the popularity of fire ring rentals.

In addition, Mr. Olney provided an oral report for the East County Advanced Water Purification Program regarding design, modeling, upcoming decisions to be made, funding/pricing, dilution requirements, permitting and evaluation of the inlet. The board requested the inlet design be brought back to the board at a future date. President

Scalzitti reported the ECAWP JPA will know next month if a low interest rate loan has been secured and shared that agencies are coordinating their outreach efforts to remain consistent. Directors McMillan and Gracyk suggested the word partner in the current AWP messaging be changed. All board members thanked Mr. Olney for the oral report. There were no public comments.

INFORMATION ITEM

11. The board receive a legislative updated. Public Affairs Supervisor Michelle M. Curtis provided a PowerPoint presentation detailing Assembly Bills 377 and 1434 and Senate Bills 222, 223 and 323. Vice President Hedberg reported that the district was opposed to all but one of the bills and expressed a desire for the legislators to work more closely with water agencies to better understand the needs of water customers. The board expressed gratitude to Ms. Curtis for providing the update.

DISCUSSION

12. President Scalzitti reported the San Diego County Water Authority Board of Directors will meet on April 22, 2021, and that he met with members of the East County Advanced Water Purification Joint Powers Authority at the Padre Dam Municipal Water District Advanced Water Purification Demonstration Facility on April 20, 2021. President Scalzitti reported attending the March 18, 2021 Parks, Land Lakes and Garden Committee meeting. In addition, President Scalzitti reported that staff enjoyed the virtual employee appreciation event on April 19, 2021; thanked Public Affairs Representative Vince R. Dambrose, III for the outstanding board video shared with the employees and reported he will be sharing cream puffs with staff in the near future.

Secretary of the Board Sandra L. Janzen reported that the district received a compliment from San Diego Gas and Electric Damage Prevention Analyst Josh Crocker regarding the outstanding safety and care taken by district crews while excavating.

13. Directors McMillan, Gracyk and Verbeke provided written reports. Director McMillan reported that the San Diego County Water Authority is expected to sell 5.2 percent more water this year and that he appreciated the April 20, 2021 Council of Water Utilities Meeting presentation by Metropolitan Water District of Southern California Assistant General Manager/Chief Operating Officer Deven Upadhyay. General Manager Carlos V. Lugo mentioned that the report provided an excellent history of regional planning, infrastructure and reliability that Mr. Lugo would like shared with the district's leadership team at a future date. Director McMillan reminded the board of the letters shared with the board between MWD and the San Diego County Water Authority; mentioned the region has enough water for a drought; and that the SDCWA CalPERS employee portion is paid for by the employer. Director McMillan also reported attending a meeting with the SDCWA director of finance and controller as the district's representative on April 19, 2021.

Vice President Hedberg and Director Verbeke reported attending the April 15, 2021 Water Conservation Garden Joint Powers Authority Meeting; membership is over 1,000; there are an increasing number of third party event bookings; and the strategic plan is being finalized. Vice President Hedberg and Director Verbeke referred to the April 14, 2021 Engineering and Operations Committee minutes in the board package. Vice President Hedberg confirmed with Director Gracyk that a virtual scavenger hunt would be conducted on Earth Day, April 22, 2021 by the City of La Mesa. Director Gracyk detailed the April 20, 2021 Council of Water Utilities meeting, the April 19, 2021 La Mesa Environmental Sustainability Commission meeting and the April 20, 2021 City of Lemon Grove City Council meeting. Director Gracyk reported Facilities Manager Joseph J. Garuba, Public Affairs Supervisor Michelle M. Curtis, Director of Administrative Services Jennifer C. Bryant and General Manager Carlos V. Lugo have represented the district well during the month's regional meetings. There were no public comments.

14. General Manager Carlos V. Lugo detailed upcoming agenda items for the board meetings scheduled on April 28, 2021 and May 5, 2021. Mr. Lugo reported that the May 12, 2021 Water Quality and Resources Committee meeting will be cancelled due to the Association of California Water Agencies spring conference. Mr. Lugo echoed the board comments regarding the virtual employee appreciation breakfast and thanked the board, human resources and public affairs teams for their assistance. There were no public comments.
15. General Counsel Elizabeth W. Hull had nothing additional to report. There were no public comments.

RECESS TO CLOSED SESSION

16. President Scalzitti recessed open session to conduct a closed session at 5:35 p.m. Ms. Elizabeth W. Hull reported the board would be conferencing with legal counsel regarding the existing litigation.

CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 (d)(1)

Number of Cases: 1

Name of Case: Bonnie Kessner and Andrea McCartney-Page, et al. vs. City of Santa Clara et al.

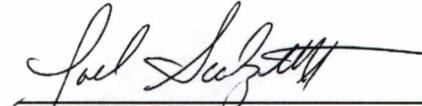
Santa Clara Co. Sup. Ct. Case Number: 20CV364054

ADJOURNMENT OF CLOSED SESSION

17. President Scalzitti adjourned closed session at 6:05 p.m. General Counsel Elizabeth W. Hull stated for the record that no reportable action was taken during closed session.

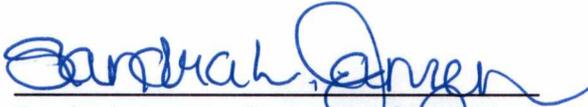
ADJOURNMENT

18. President Scalzitti adjourned the regular board meeting at 6:05 p.m.



Joel A. Scalzitti, President

ATTEST:



Sandra L. Janzen, Secretary of the Board