



Setting Standards of Excellence in Public Service

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

OPEN MEETING

1. President Scalzitti called the July 21, 2021, regular board meeting to order at 3:03 p.m. President Scalzitti thanked the board and staff for the new hybrid approach to meetings with the ability to return to the boardroom while accommodating virtual attendance.

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, Miller, Olney, Bryant, Tomasulo, Ross, Janzen, Lundy, Curtis, Herrera, Pope, Annett, Andrews, Dambrose, Uhrhammer, Aytes and S. Sample. General Counsel Elizabeth W. Hull of Best Best & Krieger was also present.

Others present: Home Start Inc. Deputy Director Lauren Pollick, COVID-19 Relief Program Manager Ahmad Aljanabi and Ms. Sheherbano Haque were present. San Diego Union-Tribune Reporter Karen Pearlman was also present.

2. Director Gracyk 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: McMillan

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. San Diego Union-Tribune Reporter Karen Pearlman requested that staff email the virtual meeting link to her.

CONSENT AGENDA

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

Motion: McMillan

Second: Verbeke

- a) Memorandum dated July 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. July 1, 2021, Parks, Land, Lakes and Garden committee meeting
 - ii. July 7, 2021, regular board meeting
 - iii. July 14, 2021, Engineering and Operations committee meeting
- c) The operating account checks submitted for ratification were approved:
 - i. Checks dated July 9, 2021
 - ii. Checks dated July 16, 2021

PRESENTATION

6. The board received an update from Home Start Inc. Deputy Director Lauren Pollick, COVID-19 Relief Program Manager Ahmad Aljanabi and Ms. Sheherbano Haque regarding the Helix Helps Customer Assistance Program. The team verified that the program is worthwhile. In addition to working with the district's 500 customers experiencing past due water bills, Home Start Inc. provided resources such as domestic violence support, rental assistance and food bank information. Discussion ensued. Vice President Hedberg clarified that 80 customers were assisted with 32 applications pending, and 20 applicants were disqualified as they did not have a past due bill, were not district customers or had not suffered due to pandemic related outcomes. Vice President Hedberg confirmed more customer contacts are expected once a water bill late fee is reinstated. Director Verbeke thanked the Home Start Inc. team and reported help is available for customers that complete the application process. Director McMillan congratulated Home Start Inc., staff and the board for the vision to help customers in need. Director McMillan reported he had been contacted by constituents and shared with them the opportunities for

assistance through Helix Helps, and the federal and state government. Director Gracyk requested an update in three to six months and verified that additional funding is available to renters through a rental assistance program. Director Gracyk confirmed the application process takes approximately one week to process and shared his appreciation for the Home Start Inc. team. President Scalzitti thanked Home Start Inc. for their presentation. There were no public comments.

ACTION ITEMS

7. The board directed staff to resume late fees effective August 1, 2021 and resume shutoffs for nonpayment effective October 1, 2021, consistent with Executive Order N-08-21. There were no public comments. The motion carried 4:1 by roll call vote.

Motion: McMillan
Second: Hedberg
Ayes: Scalzitti, Hedberg, McMillan, Verbeke
Noes: Gracyk

Director of Administrative Services Jennifer C. Bryant provided a PowerPoint presentation and answered all questions with the assistance of General Manager Carlos V. Lugo, District Counsel Elizabeth W. Hull and Customer Service Supervisor Marquetta Aytes. Discussion ensued. Director Verbeke encouraged those in need of assistance to contact customer service. President Scalzitti reported the desire to assist the constituents. Director Gracyk recognized staff's work to reach customers, reported he is optimistic, but is not in support of resuming late fees and shutoffs at this time. Director McMillan reported support for the item due to available funds to assist customers. Vice President Hedberg reported the presentation for item 7 was provided during a Finance and Administration committee meeting, but shared that the district may be moving too fast. General Manager Carlos V. Lugo reminded the board that staff would remain flexible and that outreach would continue on the district website, Call-Em-All, door hangers and letters would be mailed to 2,600 customers. Mr. Lugo reported the late fees would only be applied to new balances, providing a smooth transition back to pre-pandemic procedures. District Counsel Elizabeth W. Hull was requested to read portions of the customer informational letter. Vice President Hedberg requested a copy of the letter be sent to the board.

8. The board authorized General Manager Carlos V. Lugo to direct staff to make a \$3.1 million prepayment to the district's \$5 million 2019 interfund loan. Director of Administrative Services Jennifer C. Bryant provided a PowerPoint presentation. There were no board or public comments. The motion carried unanimously by roll call vote.

Motion: Verbeke
Second: McMillan

9. The board appropriated funds in the amount of \$75,000 from the fiscal year 2021-22 capital budget for the core network switch infrastructure upgrade project CIP22103. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Verbeke

Second: Gracyk

Enterprise Architecture Manager Michael A. Herrera provided a PowerPoint slide and answered all questions regarding the timing of the project.

10. The board adopted Resolution 21-40 declaring as exempt surplus two noncontiguous portions of assessor parcel numbers 398-400-56 and 398-400-48, on Lake Jennings Park Road, county of San Diego, state of California; authorized the disposal of said lands; approved the land exchange agreement; and authorized General Manager Carlos V. Lugo or his designee to execute all documents necessary to complete the transaction. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Gracyk

Second: McMillan

Senior Right of Way Agent/Environmental Analyst Debra S. Lundy provided a PowerPoint presentation. Director Verbeke reported the importance of the exchange and General Manager Carlos V. Lugo reported that the agreement was reviewed by district counsel.

11. The board conceptually approved the request from MK Developers to detach 10 acres of land, assessor parcel number 578-161-02, located at Grand Avenue in Spring Valley, county of San Diego, state of California, RMB20062. There were no public comments. The motion carried unanimously by roll call vote.

Motion: Hedberg

Second: McMillan

Assistant Director of Engineering Timothy J. Ross provided a PowerPoint presentation. A brief discussion ensued with all board members voicing support for the item.

REPORTS

12. Reports for the month of June 2021 and quarterly reports:

- a) Financial
- b) Rainfall, Use and Storage
- c) System Demand
- d) Monthly Demand
- e) Conservation Status

- f) East County Advanced Water Purification Program
- g) Capital Improvement Program

Director of Water Quality/System Operations Brian M. Olney provided an update regarding the East County Advanced Water Purification Program. The PowerPoint presentation included the dechlorination facility site layout and detailed the pipeline to Lake Jennings, including the inlet diffuser and the potential lake inlet feature to include a deck with shade and a pathway. Discussion ensued regarding construction details, the price of materials and the timing of the 60 percent design. General Manager Carlos V. Lugo applauded staff for the diligence to attend weekly meetings and remain engaged in the process.

Mr. Olney highlighted the June 2021 year-to-date Lake Jennings recreation and campground summary showing a net profit of \$180,000. President Scalzitti thanked Vice President Hedberg and Director Verbeke for sharing his vision for Lake Jennings and allowing time for operations to improve.

Director of Administrative Services Jennifer C. Bryant highlighted the financial reports. Director McMillan noted that the district is maintaining the fixed charges. General Manager Carlos V. Lugo shared that there would be pressure coming from wholesale providers to increase the fixed charges.

DISCUSSION

13. President Scalzitti shared the agenda items to be covered during the June 22, 2021, San Diego County Water Authority Board of Directors meeting. President Scalzitti reported his sensitivity to the proposed public outreach spending of \$22,000 per month. Director McMillan reported that both he and President Scalzitti shared lunch with SDCWA General Manager Sandy Kerl to discuss SDCWA expenditures.

Board Secretary Sandra L. Janzen reported the district received complimentary reports regarding the outstanding service provided by Water Conservation Representative Thomas W. Speer, Customer Service Representative Marlene Young and Valve Maintenance Technicians Geoffrey M. Menta and Morgan K. Blake.

14. President Scalzitti, Vice President Hedberg and Directors McMillan, Gracyk and Verbeke provided written reports. In addition, Director Verbeke and Director McMillan reported attending the July 20, 2021 Association of California Water Agencies Region 3 virtual meeting with a focus on energy, and Director Verbeke shared that the future retirement of Padre Dam Municipal Water District General Manager Allen Carlisle was announced during the East County Economic Development Council meeting conducted on July 21, 2021.

15. General Manager Carlos V. Lugo detailed upcoming agenda items for the Committee of the Board meeting scheduled on July 28, 2021, regular board meeting on August 4, 2021, and the special board meeting on August 7, 2021. Mr. Lugo reported the Water Quality and Resources committee would meet on August 11, 2021 at 9 a.m. Mr. Lugo reported that Equipment Operator James E. Condor moved his retirement up to July 23, 2021 and requested a small event at the operations center. There were no public comments.
16. General Counsel Elizabeth W. Hull had nothing additional to report. There were no public comments.

ADJOURNMENT

17. President Scalzitti adjourned the regular board meeting at 5:32 p.m.



Joel A. Scalzitti, President

ATTEST:



Sandra L. Janzen, Secretary of the Board