

**SWEETWATER AUTHORITY GOVERNING BOARD
MINUTES OF THE REGULAR MEETING**

**April 26, 2023, 5:00 p.m.
Virtual via Zoom and at
Sweetwater Authority Administration Building
505 Garrett Avenue
Chula Vista, CA 91910**

- **Call Meeting to Order and Roll Call**

The Governing Board of Sweetwater Authority held a Regular meeting on Wednesday, April 26, 2023, at the Sweetwater Authority Administrative Office, 505 Garrett Avenue, Chula Vista, California. Chair Martinez called the meeting to order at 5:00 p.m.

Directors Present: Josie Calderon-Scott, Steve Castaneda, Manny Delgado, Hector Martinez, Paulina Martinez-Perez, *Ron Morrison (5:08 p.m.), and *Ditas Yamane (5:33 p.m.)

Staff Present: General Manager Carlos Quintero, Legal Counsel Nicholas Norvell, Board Secretary Ligia Hoffman, Engineering Manager Christopher Bauer, Director of Water Quality Justin Brazil, Assistant Board Secretary Michael Garcia, Public Affairs Manager Leslie Payne, Director of Finance Rich Stevenson, and Director of Administrative Services Dina Yorba.

Others: Greg Clumpner and Jeremy Tamargo of NBS, Dan Denham of the San Diego County Water Authority, Karen Henry, and Russell Walsh.

- **Pledge of Allegiance to the Flag**

- **Opportunity for Public Comment**

Karen Henry thanked Directors and staff for the recent rate study workshops and education provided regarding the Authority's rate-setting process.

Note: The Board provided an opportunity for a member of the public who attended the meeting virtually after the Public Comment period to comment later in the meeting. See Opportunity for Public Comment following the Chair's Presentation agenda item B.

- **Chair’s Presentation**

- A. **Recognition of 2023 High School Photo Contest Winners**

Public Affairs Manager Leslie Payne provided a presentation and announced the winners.

(Note: Director Morrison entered the meeting at 5:08 p.m.)

- B. **“SDCWA Proposed Rate Increase/Budget,” presented by Dan Denham, Deputy General Manager, San Diego County Water Authority**

Dan Denham of the San Diego County Water Authority provided a presentation.

(Note: Director Yamane entered the meeting at 5:33 p.m.)

- **Opportunity for Public Comment - Continued**

Karen Wood commented that Loveland Reservoir should be on a future agenda and that the Authority has no justifiable reason to keep the Reservoir recreation area closed.

- C. **Comments from Public Regarding Agency Staff**

ACTION CALENDAR AGENDA

- 1. **Items to be Added, Withdrawn, or Reordered on the Agenda**

Upon request by General Manager Quintero, the Board concurred to hear Item 5 A before Item 5 B.

- 2. **Approval of Minutes - Regular Board Meeting of April 12, 2023**

Motion by: Director Morrison

Seconded by: Director Martinez-Perez

that the Governing Board approve the minutes of the Regular Board meeting of April 12, 2023.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

Consent Calendar Items

Director Castaneda recused himself from consideration of Agenda Item 3 due to his contract with Sempra Energy, parent company of SDG&E, which Director Castaneda disclosed on the record.

Motion by: Director Morrison
Seconded by: Director Delgado

that the Governing Board approve the Consent Calendar.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously, with Director Castaneda Recused from Item 3. (7 to 0)

3. **Approval of San Diego Gas & Electric Demands and Warrants – March 2023**
4. **Approval of Demands and Warrants (excludes the San Diego Gas & Electric Demands and Warrants) – March 2023**

Action and Discussion Items

5. **New Business**

B. **Board Input for the Water Rate Policy Alternatives for the Draft 2023 Water Rate Study Presentation**

Karen Henry provided an illustrative comment regarding the water rates.

Russell Walsh commented on the water rates and associated pressures; the Authority's water purchases, associated water portfolio, and pass-through fees.

Jeremy Tamargo of NBS provided a presentation.

Motion by: Director Castaneda
Seconded by: Director Yamane

that the Governing Board direct staff to present a Cost of Service Methodology, Fixed Charge/Variable Charge, Single-family Residential Tier Design, and Non-water Revenue water rate policy alternatives and its respective bill impacts at the May 17, 2023 Special Board meeting.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

A. **Consideration of FY 2023-24 Draft Financial Plan for Review and Comment**

Karen Henry commented on debt-financing, encouraged the Board to address project delivery and delays, and asked questions regarding the suggested capital projects for bond-funding.

Director of Finance Rich Stevenson provided a presentation.

Motion by: Director Martinez-Perez

Seconded by: Director Morrison

that staff incorporate comments provided by the Governing Board in the FY 2023-24 Draft Financial Plan for completion of the Draft FY 2023-24 Budget, and direct staff to present the Draft FY 2023-24 Budget at the May 17, 2023 Special Board meeting.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

C. Consideration to take a Legislative Positions on Proposed Bills AB 460 (Bauer-Kahan), AB 1337 (Wicks), and SB 389 (Allen)

Motion by: Director Morrison

Seconded by: Director Castaneda

that the Governing Board take an opposed position on the three proposed bills: AB 460 (Bauer-Kahan), AB 1337 (Wicks), and SB (389) Allen.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

D. Consideration of Proposal from the Bonita Museum and Historical Society to Provide Support for Interactive Virtual Display and Interactive Garden

Motion by: Director Castaneda

Seconded by: Director Martinez-Perez

that the Governing Board direct the General Manager to negotiate a memorandum of understanding with the Bonita Museum regarding the interactive virtual display, and request funding from the County of San Diego for part of the work.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

E. Consideration of Invitation to Support the 2023 Olivewood Gardens Seedling Soirée on June 3, 2023

Motion by: Director Castaneda

Seconded by: Director Martinez-Perez

that the Governing Board approve to sponsor the Olivewood Gardens Seedling Soirée in the amount of \$2,500.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

F. Consideration to Adopt Resolution 23-09, Congratulating Vista Irrigation District on its 100th Anniversary

Motion by: Director Morrison

Seconded by: Director Delgado

that the Governing Board adopt Resolution 23-09, Congratulating Vista Irrigation District on its 100th Anniversary.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

6. Approval of Directors' Attendance at Meetings and Future Agenda Items

A. Per diem approval for Directors who wish to attend the Southern California Water Coalition Quarterly Luncheon, Temecula – April 28, 2023

Motion by: Director Martinez-Perez

Seconded by: Director Castaneda

that the Governing Board approve the per diem.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

B. Per diem approval for Director Martinez-Perez's attendance at the California Special District Association – San Diego Chapter Board Meetings – April 17, 2023, July 17, 2023, and October 16, 2023

Motion by: Director Castaneda

Seconded by: Director Morrison

that the Governing Board approve the per diem.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried Unanimously (7 to 0)

REPORTS AND INFORMATIONAL ITEMS

7. Delayed Revenue Balance Dashboard

8. Informational Reports

- Financial Reports – March 2023
- Quarterly Capital Projects Report – Third Quarter FY 2022-23
- Quarterly Performance Measurement Report – Third Quarter FY 2022-23
- Quarterly Report of Directors' Expenses – Third Quarter FY 2022-23
- Quarterly Report on Communications Plan Metrics – Third Quarter FY 2022-23
- Quarterly Water Treatment Chemical Update

9. Report of Management

General manager Quintero reported on:

- The Authority's reservoirs are still receiving runoff and noted the water levels at each;
- Seats are still available for the SCEDC Annual Summit; and
- Cancellation of the May 10th meeting due to the ACWA Conference.

10. Report of Representatives to the San Diego County Water Authority

Director Castaneda reported on the upcoming SDCWA meeting, including items covering water rates and budget, and asked for the Board to have an advisory vote at its Board meeting.

Director Yamane echoed Director Castaneda remarks, and commented that the east county caucus is also looking at the SDCWA proposed water rates.

11. Reports by Directors on Events Attended

Reports and discussion relating to events attended by the Directors.

A. Water Infrastructure Networking Summit – April 14, 2023

Directors Castaneda and Martinez provided reports.

B. Council of Water Utilities Meeting – April 18, 2023

Directors Calderon-Scott, Morrison, Castaneda, and Delgado provided reports.

C. Other Events Attended – There were none.

12. Directors' Comments - There were none.

Closed Session

At 8:18 p.m. the Board convened in closed session for items A and B as stated on the agenda. There was no need for closed session on Item C.

A. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:

Agency Negotiators:

Carlos Quintero, General Manager
Dina Yorba, Director of Administrative Services

Employee Organizations:

Sweetwater Authority Employees' Committee
Sweetwater Authority Middle Management Group
Sweetwater Authority Confidential Group

B. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:

Agency Negotiators:

Carlos Quintero, General Manager
Dina Yorba, Director of Administrative Services

Unrepresented Employees:

Director of Finance
Director of Water Quality
Director of Administrative Services
Director of Engineering and Operations
Assistant General Manager

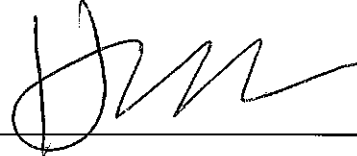
C. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9 (d)(1):

United States, et al. ex rel John Hendrix v. J-M Manufacturing Company Inc., and Formosa Plastics Corporation, U.S.A., Case No. ED CV06-00055-GW

There were no minutes taken, and the session was not audio-recorded. The Board came out of closed session at 8:39 p.m. and reconvened in open session. There was no reportable action taken by the Governing Board

13. Adjournment

With no further business before the Board, Chair Martinez adjourned the meeting at 8:39 p.m.



Hector Martinez, Chair

Attest:


Ligia Hoffman, Board Secretary