

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

**June 26, 2019**

The Governing Board of Sweetwater Authority held a Regular meeting on Wednesday, June 26, 2019, at the Sweetwater Authority Administrative Office, 505 Garrett Avenue, Chula Vista, California. Chair Castaneda called the meeting to order at 6:00 p.m.

- **Roll Call**

Directors Present: Josie Calderon-Scott, Jerry Cano, Steve Castaneda, José F. Cerda, Hector Martínez, and Jose Preciado

Directors Absent: Alejandra Sotelo-Solis

Management, Staff, and Others Present: General Manager Tish Berge, Assistant General Manager Jennifer Sabine, Legal Counsel Paula de Sousa Mills, and Board Secretary Ligia Perez. Staff Members: Administrative Assistant Michael Garcia, Director of Engineering Ron Mosher, and Public Affairs Manager Leslie Payne. Others present: Dave Schlesinger

- **Pledge of Allegiance to the Flag**

- **Opportunity for Public Comment** (Government Code Section 54954.3)

Dave Schlesinger commented on the Citizens Advisory Committee (CAC); the January 2020 water rate increase; a new consultant for the review of tiered water rates; staff assistance for the CAC; and the availability of submitted written public comments. Mr. Schlesinger submitted written comments for the record.

- **Chair's Presentation**

- A. American Water Works Association Public Communications Achievement Award
- B. Comments from the Public Regarding Agency Staff

**ACTION CALENDAR AGENDA**

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 Items to be Added, Withdrawn, or Reordered on the Agenda

**Director Calderon-Scott made a motion, that the Governing Board approve moving item 8. A. before item 6. The motion failed for lack of a second.**

2. Approval of Minutes - Regular Meeting of June 12, 2019

**Director Cano made a motion, seconded by Director Cerda, that the Governing Board approve the minutes of the June 12, 2019 Regular meeting. The motion carried unanimously, with Director Sotelo-Solis absent.**

**Consent Calendar Items**

**Director Preciado made a motion, seconded by Director Calderon-Scott, that the Governing Board approve consent items 3 and 4. Director Castaneda recused himself from**

consideration of warrant numbers 151369 and 151411 due to his contract with Sempra Energy, parent company of SDG&E, which Director Castaneda disclosed on the record. The motion carried unanimously, with Director Sotelo-Solis absent.

3. Approval of Demands and Warrants – Check numbers 151266 through 151422 and electronic fund transfers 28335 through 28577
4. Consideration to Award Annual Contracts for Water Treatment Chemicals (Operations Committee Meeting of 6/19/19, Item 4. A.)  
Recommendation: Award contracts to the lowest responsive bidders for water treatment chemicals as follows: \$315,200 to Polydyne Inc., Riceboro, GA, for Cationic Polymer; \$40,500 to Hill Brothers Chemical Co., Brea, CA (\$8,300 for Ammonium Sulfate and \$32,200 for Aqua Ammonia 19.0%); \$125,400 to JCI Jones Chemicals, Inc., Torrance, CA, (\$47,100 for Ton Cylinders of Chlorine and \$78,300 for Sodium Hypochlorite 12.5%); \$37,900 to California Water Technologies, Santa Fe Springs, CA, for Ferric Chloride 43%; \$148,100 to Brenntag Pacific, Inc., Santa Fe Springs, CA (\$3,400 for Aluminum Sulfate 45-55%, \$6,600 for Sodium Fluoride 90-98%, and \$138,100 for Sodium Hydroxide 50%); \$73,700 to Kemira Water Solutions, Inc., Lawrence, KS, for Ferrous Chloride; \$3,900 to Prominent Systems Inc., City of Industry, CA for Activated Carbon Powder; \$139,800 to Evoqua Water Tech LLC., Sarasota, FL, for Sodium Chlorite 31%; \$39,300 to Dubois Chemical, Cincinnati, OH, for Fluorosilicic Acid 23-25%.

### **Action and Discussion Items**

5. Consideration of Committee Recommendation Regarding Management Audit of Water Service Installation at Vanover Residence, 5141 Sweetwater Rd. (Operations Committee Meeting of 6/19/19, Item 4. B.)  
Recommendation: Direct staff to perform an audit on the meter size requirement for the water service installation at Vanover residence; direct staff to perform an audit of the communication, method, and information between the Authority staff and Mr. Vanover on the water service installation at Vanover residence; upon receipt of payment in the amount of \$3,500, provide a payment extension until July 24, 2019, to Mr. Vanover for the remaining fee of \$3,519.16; direct the Operations Committee to develop a policy, for consideration by the full Board, outlining specific practices and procedures for communication with developers with regard to range of project costs and cost overruns; and direct staff to provide a verbal report on the FY 2018-19 Work Plan task whereby staff developed a cost analysis of providing payment plans to developers.

**Director Martinez made a motion, seconded by Director Calderon-Scott, that the Governing Board direct staff to perform an audit on the meter size requirement for the water service installation at Vanover residence; direct staff to perform an audit of the communication, method, and information between the Authority staff and Mr. Vanover on the water service installation at Vanover residence; upon receipt of payment in the amount of \$3,500, provide a payment extension until July 24, 2019, to Mr. Vanover for the remaining fee of \$3,519.16; direct the Operations Committee to develop a policy, for consideration by the full Board, outlining specific practices and procedures for communication with developers with regard to range of project costs and cost overruns; and direct staff to provide a verbal report on the FY 2018-19 Work Plan task whereby staff developed a cost analysis of providing payment plans to developers. The motion carried unanimously, with Director Sotelo-Solis absent.**

6. Consideration to Award a Contract for Communications and Public Relations Consulting Services (Finance and Personnel Committee Meeting of 6/19/19, Item 4.)  
Recommendation: Approve a two-year contract for an amount not to exceed \$36,000 annually to SVPR Communications, La Mesa, CA.

**Director Preciado made a motion, seconded by Director Cano, that the Governing Board approve a two-year contract for an amount not to exceed \$36,000 annually to SVPR Communications, La Mesa, CA. The motion carried unanimously, with Director Sotelo-Solis absent.**

7. Old Business

Provide Formal Direction on the Citizens Advisory Committee

**Director Preciado made a motion, seconded by Director Calderon-Scott, that the Governing Board direct the General Manager to create a formal Board policy regarding the Citizens Advisory Committee based on the memorandum from Directors Calderon-Scott, Castaneda, Martinez, and prior Board action; and bring it back to the Board for review and approval. The motion carried unanimously, with Director Sotelo-Solis absent.**

8. New Business

- A. Presentation on Five-year Communications Strategy

No action was required from the Governing Board.

- B. Consideration to Reallocate a Portion of the FY 2019-20 Operating Reserve Funds to Complete the FY 2018-19 Pipeline Replacement Program and Execute Contractual and Compliance Related Vehicle and Equipment Purchases

**Director Preciado made a motion, seconded by Director Martinez, that the Governing Board approve a fund transfer in the amount of \$1,051,200 from the Operating Reserve Fund to the FY 2019-20 Capital Budget to complete the FY 2018-19 Pipeline Replacement Program project in the amount of \$748,200; perform vehicle lease payments and buy-outs in the amount of \$104,000; and comply with air quality regulations by purchasing new equipment in the amount of \$199,000. The motion carried unanimously, with Director Sotelo-Solis absent.**

- C. Discussion on FY 2019-20 Work Plan Objective FV1 Task 003.01 to Explore Not Funding or Funding at a Reduced Rate, the Rate Stabilization Reserve and Bring Back a Review of the 2018 Five-year Water Rate Study

**Director Martinez made a motion, seconded by Director Calderon-Scott, that the Governing Board direct staff to complete Objective FV1 Task 003.01 and present it to the Board in late September/early October. The motion carried, with Director Cano opposing and Director Sotelo-Solis absent.**

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

There was none.

## REPORTS AND INFORMATIONAL ITEMS

10. May 2019 Financial Reports

11. Management Report

A. Report of Assistant General Manager

There was none.

B. Report of General Manager

General Manager Berge reminded the Board to please save the date for Monday, July 29, 2019 for the SDLF Governance Foundations training; and reported on a letter of support received from the City of Chula Vista for a grant application for the Sweetwater Dam project.

Director Calderon-Scott submitted a document for the record regarding consultant services.

*(Note: Director Martinez left the meeting at 7:53 p.m.)*

12. Report of the South Bay Irrigation District Representative and the City of National City Representative to the San Diego County Water Authority

Director Preciado reported on the upcoming budget adoption; impacts of water rates on the City of San Diego; water conveyance study; General Manager search; and the possible de-annexing of two water agencies.

*(Note: Director Martinez reentered the meeting at 7:55 p.m.)*

13. Reports by Directors on Events Attended

Council of Water Utilities Meeting – June 18, 2019

Directors Calderon-Scott, Cerda, and Martinez provided a report.

Director Martinez provided an additional report on his attendance at the San Diego LAFCO Special District Advisory Committee meeting and the WESTCAS Conference.

14. Directors' Comments

Director Cerda commented on his introductory visits to new businesses in his district.

Director Cano suggested providing water for the public during Board meetings.

Director Castaneda commented on the Silvergate Development project and asked the General Manager to review the project.

At 8:22 p.m. Chair Castaneda adjourned the Regular meeting for a period of time to accommodate a Special meeting of the Board. Legal Counsel de Sousa Mills announced for the record that the Board will not be receiving separate per diem for attending the Special meeting. At 8:24 p.m. the Chair reconvened the Regular meeting of the Board.

CLOSED SESSION

At 8:24 p.m., the Board convened to meet in closed session with legal counsel for:

- A. Conference with Legal Counsel – Anticipated Litigation – Significant exposure to litigation pursuant to Government Code Section 54956.9 (d)(2): 2 potential cases
- B. Public Employee Performance Evaluation pursuant to Government Code Section 54957:

Title: General Manager

There was no need for a closed session on item:

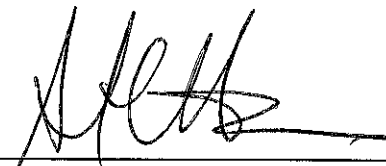
- C. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9 (d)(1):

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. At 9:37 p.m., Chair Castaneda declared the meeting to be in open session. No reportable action was taken by the Governing Board.

15. Adjournment

With no further business before the Board, Chair Castaneda adjourned the meeting at 9:38 p.m.

  
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Steve Castaneda, Chair

Attest:

  
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Ligia Perez, Board Secretary