

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

August 11, 2021

The Governing Board of Sweetwater Authority held a Regular meeting on Wednesday, August 11, 2021. Pursuant to Governor Newsom's Executive Orders N-08-21, this meeting was held via teleconference. Chair Martinez called the meeting to order at 6:00 p.m.

*(*Note: After calling the meeting to order, Chair Martinez established for the record that all Directors were able to hear the proceedings, that all members of the Board were able to hear the Directors participating by teleconference clearly, and that all votes would be taken by a roll call vote pursuant to the provisions of the Brown Act. Chair Martinez further established for the record the process by which public comments would be received by the Board, which process was also described in the Agenda for the meeting.)*

- **Roll Call**

Directors Present: Josie Calderon-Scott, Steve Castaneda, Hector Martinez, Paulina Martinez-Perez, Jose Preciado, Mona Rios, and *Alejandra Sotelo-Solis (6:04 p.m.).

Directors Absent: None.

Management, Staff, and Others Present: Interim General Manager Jennifer Sabine, Legal Counsel Paula de Sousa, and Board Secretary Ligia Perez. Staff members: Director of Water Quality Justin Brazil, Program Specialist Clay Clifton, Engineering Manager Erick Del Bosque, Distribution Manager Nathan Golder, Program Manager Dan Hayes, Director of Engineering Ron Mosher, Public Affairs Manager Leslie Payne, Senior Public Affairs Representative Gwen Shoecraft, Director of Finance Rich Stevenson, and Director of Administrative Services Dina Yorba. Others present: Seth Merewitz and Alison Alpert of Best Best & Krieger; Gary Phillips of Bob Murray & Associates; Kevin Chicas of Liebert, Cassidy Whitmore; Kip Howard of Allegis Development; and Russell Walsh.

- **Pledge of Allegiance to the Flag**

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

There were none.

(Note: Director Sotelo-Solis entered the meeting at 6:04 p.m.)

- **Chair's Presentation**

Presentation of New and Improved Sweetwater Authority's Website

ACTION CALENDAR AGENDA

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 Items to be Added, Withdrawn, or Reordered on the Agenda

Per Interim General Manager Sabine's request, the Governing Board concurred to withdrawn item 10 from the agenda, due to the cancellation of the Communications Committee meeting.

2. Approval of Minutes

- A. Special Board Meeting of July 26, 2021
- B. Special Board Meeting of July 27, 2021
- C. Regular Board Meeting of July 28, 2021

Director Castaneda made a motion, seconded by Director Rios, that the Governing Board approve the minutes of the Special Board meeting of July 26, 2021, the Special Board meeting of July 27, 2021, and the Regular Board meeting of July 28, 2021. The motion carried unanimously.

Consent Calendar Items

Director Rios pulled item 4 and Director Calderon-Scott pulled item 5 for discussion.

Director Preciado made a motion, seconded by Director Sotelo-Solis, that the Governing Board approve consent calendar items 3 and 6. The motion carried unanimously.

3. Consideration of Request for Proposals for Engineering Design Services for Proposed Aeration/De-stratification System in Sweetwater Reservoir (Engineering, Capital, and Development Services Committee Meeting of 8/2/21)

Recommendation: Direct staff to issue the Request for Proposals as presented for engineering design services for the proposed aeration/destratification system in Sweetwater Reservoir.

6. Consideration to Award Annual Requirement Contracts for Waterworks Fittings to Core & Main, Pacific Pipeline, and Western Water Works Supply Co. (Water Quality and Distribution Committee Meeting of 8/4/21)

Recommendation: Award the following contracts for waterworks fittings: \$17,272.70 to Core & Main LP, San Marcos, CA; \$39,858.00 to Pacific Pipeline Supply, San Marcos, CA; and \$69,467.61 to Western Water Works Supply Co., El Cajon, CA.

ITEMS PULLED FROM CONSENT CALENDAR

4. Consideration to Authorize a Sole-source Purchase of a Residual Control System for the OD Arnold Tank Site in National City from PSI Water Technologies (Engineering, Capital, and Development Services Committee Meeting of 8/2/21)

Recommendation: Award a contract in the amount of \$129,000 to PSI Water Technologies (a USGI Solutions Company) for the purchase of a Residual Control System.

Director Rios made a motion, seconded by Director Preciado, that the Governing Board award a contract in the amount of \$129,000 to PSI Water Technologies (a USGI Solutions Company) for the purchase of a Residual Control System. The motion carried unanimously.

5. Consideration to Approve the Revision to Board Policy 517, Financial Policies – Policy for the Procurement of Services (including Construction), Supplies, and Equipment (Finance and Administration Committee Meeting of 8/4/21)

Recommendation: Approve Board Policy 517 as presented.

Director Preciado made a motion, seconded by Director Castaneda, that the Governing Board approve Board Policy 517 as presented. The motion carried unanimously.

Action and Discussion Items

7. Consideration to Approve the Revision to Board Policy 522, Citizens Advisory Committee (CAC) (Finance and Administration Committee Meeting of 8/4/21)

Recommendation: Defer to the Governing Board.

Director Preciado made a motion, seconded by Director Rios, that the Governing Board refer Board Policy 522 to the Finance and Administration Committee for further consideration of the proposed modifications regarding CAC member eligibility. The motion carried unanimously.

8. Capacity Fees for the Chula Vista Bayfront Redevelopment, H-3 Parcel (South Bay Gaylord Pacific Hotel and Convention Center) (Information item) (Finance and Administration Committee Meeting of 8/4/21)

Recommendation: Consider a concept whereby the developer enters into an agreement to submit an initial deposit for capacity fees based upon a mutually agreed upon estimated water usage and a future reconciliation payment/credit based on actual water usage data, pending legal counsel review.

Kip Howard of Allegis Development commented on the method of calculation of the water capacity fees for the Bayfront Redevelopment, and looks forward to negotiating capacity fees based on actual water usage.

Director Preciado made a motion, seconded by Director Castaneda, that the Governing Board direct staff and legal counsel to establish parameters of an agreement or process that meets legal requirements to ensure that the Authority is made whole and

the developer is treated fairly with regard to the imposition of capacity fees. The motion carried unanimously.

9. Flushing Program Evaluation (Water Quality and Distribution Committee Meeting of 8/4/21)
Recommendation: Defer to the Governing Board.

Chair Martinez made a motion, seconded by Director Preciado, that the Governing Board select the NDF In-house option; direct staff to reallocate funding from the Distribution Operating Expense budget to the Capital budget for purchase of an NDF truck in FY 2021-22; and include funding in FY 2022-23 for one additional Utility Worker to implement a continuous flushing cycle using the new NDF technology. The motion carried, with Directors Castaneda, Martinez, Martinez-Perez, Preciado, Rios, and Sotelo-Solis in favor, and Director Calderon-Scott opposing.

10. Consideration of Draft Request for Proposals for On-call Communications Consulting Services (Communications Committee Meeting of 8/10/21)
Recommendation: Pending Committee meeting.

This item was withdrawn from the agenda.

11. Old and Unfinished Business

A. Consideration of Implementation Plan for Energy Audit Recommendations

Dave Schlesinger submitted written comments congratulating the Board for their support of the energy audit, which were read onto the record by the Board Secretary pursuant to the Authority's established process for public comments.

Director Preciado made a motion, seconded by Director Martinez, that the Governing Board approve the implementation plan as presented, and appropriate \$43,483 from the Expense Contingency. The motion carried unanimously.

B. Continued Discussion on Consideration of Proposals for Consultants to Advise on Materials Dredging/Sand Mining at Sweetwater Authority Reservoir

Russell Walsh expressed concern regarding sand mining and materials dredging, including the interest of the consultants, the expense, and the impact to ratepayers.

Director Preciado made a motion, seconded by Director Rios, that the Governing Board select Benchmark Resources as the consultant to advise on materials dredging/sand mining at Sweetwater Reservoir and direct staff to negotiate a contract and fee with Benchmark Resources, setting the scope of work and a not to exceed limit for the total fee. The motion carried with Directors Martinez, Martinez-Perez, Preciado, Rios, and Sotelo-Solis in favor, and Directors Calderon-Scott and Castaneda opposing.

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

- A. Council of Water Utilities Virtual Meeting, – Tuesday, August 17, 2021, 8:00 a.m.
– Program Title: "City of San Diego's Pure Water," presented by John

Stufflebean, Assistant Director of the Pure Water and Technical Services Branch, City of San Diego Public Utilities Department

- B. California Special Districts Association - San Diego Chapter Quarterly Meeting – Thursday, August 19, 2021, 6:00-9:00 p.m., 94th Aero Squadron, San Diego; Program: “State of the Climate and Climate Extremes,” presented by Alex Tardy, Warning Coordination Meteorologist, National Weather Service in San Diego
(Note: registration deadline is 8/12)
- C. Per diem approval for Directors who wish to attend the Urban Water Institute’s 28th Annual Conference, Costa Mesa, CA – September 8-9, 2021 *(Note: Early registration deadline is 8/12; conflict with 9/8 Board meeting)*

Director Preciado made a motion, seconded by Director Castaneda, that the Governing Board approve per diem for Directors who wish to attend the Urban Water Institute’s 28th Annual Conference, Costa Mesa, CA – September 8-9, 2021. The motion carried unanimously.

REPORTS AND INFORMATIONAL ITEMS

13. COVID-19 Pandemic Delayed Revenue Balance Dashboard

14. Committee Minutes

15. Report of Legal Counsel

Legal Counsel de Sousa provided an update on California Water and Wastewater Arrearage Payment Program.

16. Report of Management

There was none.

17. Report of Sweetwater Authority Director to the Water Conservation Garden Authority

Director Castaneda reported on the August 5, 2021 quarterly meeting, including a financial review, significant attendance increase, grant activities, and the addition of JPA members.

18. Reports by Directors on Events Attended

A. South County Economic Development Council (SCEDC) Meeting – August 3, 2021

Director Castaneda provided a report.

B. Other Events Attended – There was none.

19. Directors' Comments

Vice Chair Sotelo-Solis commented on the Energy Audit and the actions of the Citizens Advisory Committee and its previous Chair, Sandy Naranjo; and encouraged vaccination.

Chair Martinez commented on the benefits of sand mining and encouraged efforts to promote and educate the community.

CLOSED SESSION

At 9:18 p.m. the Board convened in closed session for:

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

Agency Negotiator: Kevin Chicas, Special Labor Counsel
Employee Organizations: Sweetwater Authority Employees' Committee
Sweetwater Authority Middle Management
Group Sweetwater Authority Confidential Group

C. Public Employee Appointment pursuant to Government Code Section 54957:

Title: General Manager

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

Agency Negotiators: Hector Martinez, Chair
Alison Alpert, Legal Counsel
Unrepresented Employee: General Manager
Interim General Manager

There was no need for closed session on the following items:

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

Agency Negotiators: Alison Alpert, Legal Counsel
Paula de Sousa, Legal Counsel
Unrepresented Employees: Assistant General Manager
Director of Administrative Services
Director of Engineering
Director of Distribution
Director of Finance
Director of Water Quality

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

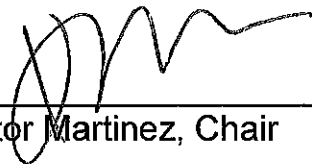
United States, et al. ex rel John Hendrix v. J-M Manufacturing Company Inc.,
and Formosa Plastics Corporation, U.S.A., Case No. ED CV06-00055-GW

There were no minutes taken, and the session was not audio-recorded.

The Board came out of Closed Session at 10:37 p.m. Legal Counsel de Sousa reported that the Board met for items A, C, and D and that during closed session, with negotiations with the Board's appointee to general manager not having been successfully completed, **upon a motion by Director Castaneda, seconded by Director Rios, the Board appointed a General Manager, subject to pre-employment activities, and successful contract negotiations. The motion carried unanimously.**

20. Adjournment

With no further business before the Board, Chair Martinez adjourned the meeting at 10:40 p.m.



Hector Martinez, Chair

Attest:



Ligia Perez, Board Secretary