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MINUTES OF THE
BOARD OF DIRECTORS REGULAR MEETING
OTAY WATER DISTRICT
January 17, 2001

1. The meeting was called to order by General Manager Griego at 4:06 p.m. in the District Boardroom, 2554 Sweetwater Springs Boulevard, Spring Valley, CA.

DIRECTORS PRESENT: Bonilla, Cardenas, Inocentes (arrived 4:09 p.m.) and Lopez

DIRECTORS ABSENT: Watton

STAFF PRESENT: General Manager Griego
Acting Dir. Water Op. & Maint. Gunstinson
Dir. Admin. & Labor Relations Alvarez
Chief Financial Officer Chambers
Dir. Engineering & Contracts Peasley
Gov. & Comm. Relations Off. Bartlett-May
District Secretary Cruz
Others per attached list

2. General Manager Griego asked if any one in the audience wished to be heard on any item. No one wished to be heard.

3. General Manager Griego indicated that the Board is scheduled to begin its meeting with a closed session where there will be two items discussed: 1) Pending Litigation (Inocentes v. Price, et al.) (Gov. Code §54956.9); and 2) Potential Litigation (Gov. Code §54945.9(b)(2) [two items]). He indicated that the Board would return for its open session at 6:00 p.m. The Board convened into closed session at 4:09 p.m.

4. The Board reconvened from closed session at 6:02pm. General Manager Griego indicated that the first agenda item for closed session, Pending Litigation (Inocentes v. Price, et al.) (Gov. Cod §54956.9) was not discussed and would be carried over to another meeting.

1 He stated that there were two items discussed under agenda item
2 two, Potential Litigation (Gov. Code §54945.9(b)(2) and Special
3 Counsel would report on the discussion during the public session.

4 5. Upon conclusion of the Pledge of Allegiance, General
5 Manager Griego indicated that he wished to request that agenda item 24,
6 approval of Directors' travel, be withdrawn before the approval of the agenda is
7 requested. The amended agenda was approved.
8

9 6. A motion was made by President Bonilla, seconded by
10 Director Cardenas and carried with the following vote:

11 Ayes: Directors Bonilla, Cardenas Inocentes and Lopez
12 Absent: Director Watton

13 to not approve the minutes of the Regular Meeting of January 3, 2001 as
14 neither of the current Board members were present at that meeting.
15

16 7. The demands list was submitted for Board approval. Director
17 Cardenas asked clarification on the following checks:

18 Office of the District, Court Order Pay: Ms. Chambers indicated it was
19 a payroll garnishment.
20

21 Atwork Personnel Service: Ms. Chamber and Mr. Alvarez indicated
22 that it was for temporary assistance in records management.
23

24 Boyle Engineering: Mr. Peasley indicated the payment was for two
25 CIP projects; the two pipelines on Hillsdale and Vista Grande Roads and
26 hydraulic modeling for the 803 (Hillsdale) pressure system.

27 Casa de Oro Travel, Airfare-GIS Applicant: Mr. Alvarez indicated that
28 they had a very talented applicant and because of the nature and difficulty of
29 the recruitment for this particular position, it was decided that it would be

1 worthwhile to bring the applicant to the District for an interview. He indicated
2 that this was an exception rather than the rule. General Manager Griego noted
3 that he had authorized the travel as it was brought to his attention that there
4 were a limited number of candidates and this particular candidate was very
5 highly qualified.

6
7 J.P. Morgan Securities, Quarterly Remarketing Fee: Ms. Chambers
8 indicated that it is for the 1996 Certificate of Participation issue. The issue is at
9 a variable rate which is set every week. This is their commitment for resetting
10 the rate.

11
12 Kelar Corporation, Land Development Desktop Assistant: Mr.
13 Stevens indicated that it is software for maintaining the maps (Autocad).

14 Latitude 33, Professional Services: Mr. Peasley indicated that this is
15 the consulting firm which is doing environmental work for the District.

16
17 Lewis & Lewis Enterprises, Geometric Office Complete Kit: Mr.
18 Stevens indicates that this is software that is used for the new Trimble units that
19 are used for automated satellite surveying mapping (GPS).

20
21 Merkel and Associates, 850 Reservoir Negotiations, Use Area
22 Regulatory Assistance: Mr. Peasley indicated that it is for an environmental
23 contract. The firm assisted the District with two issues; resolving the land use
24 issue for the Point/Atlas Homes project (removing the open space designation
25 for the 850-4 Reservoir) and the removal of the pump back requirement for the
26 golf course.

27
28 Country Suites, Seminar Lodging: Ms. Chambers confirmed that it is
29 lodging for an employee attending a seminar.

Palomar Investigative Group, Background Checks: Director

1
2 Cardenas asked that copies of the background checks be forwarded to the
3 Board.

4 Petty Cash: Director Cardenas asked if all receipts were listed. Ms.
5 Chambers indicated that it is a summary by expense account number.
6

7 Recon, Professional Services: Mr. Peasley indicates that it is for
8 services that they are providing to assist the District with its contract with the US
9 Bureau of Reclamation which provides 25% funding grants from the Federal
10 Government for recycled water pipelines. They are assisting with
11 environmental documentation for the grant requests.
12

13 Resource Catalyst: Mr. Peasley indicated that they are specialists in
14 handling the Air Pollution Control (APC) permitting process.

15 Bank of California, Administrative Fees, General Obligation Bonds:
16 Ms. Chambers indicated that this is an annual fee for their services on the
17 District's obligation to IB27 GL bond. They are handling the payments of the
18 principal and interest to the bond holders.
19

20 A motion was made by President Bonilla, seconded by Director
21 Inocentes and carried with the following vote:
22

23 Ayes: Directors Bonilla, Inocentes and Lopez
24 Noes: Director Cardenas
25 Absent: Director Watton

26 to approve the demands as listed.

27 8. General Manager Griego asked if anyone in the audience
28 wished to be heard on an item not on today's Agenda.

29 Leonard Mischley, representing the Consumer Action Network, stated he
recently read an article in the paper regarding statements made by Director

1 Watton comparing San Diego County to Los Angeles County. He indicated that
2 he was not happy that Director Watton was not focusing on San Diego. He
3 stated that he felt that Director Watton should focus on what the rate payers
4 need and want in this District rather than any personal agendas.

5 Ronald Flamma, representing the Consumer Action Network, expressed
6 his appreciation for the comments and direction that Director Cardenas
7 expressed at the previous Board meeting to review actions taken by the
8 previous board concerning loans and to conduct a complete review of the
9 finances of the District. He asked that the Board take a more in depth look at
10 the operations and finances of the District by authorizing a “real” audit rather
11 than a “cosmetic” review of the Districts operations.
12

13
14 9. A motion was made by Director Inocentes, seconded by
15 President Bonilla and carried with the following vote:

16
17 Ayes: Directors Bonilla, Cardenas, Inocentes and Lopez
18 Absent: Director Watton

19 to approve the following items on the consent calendar:

- 20 a) DENIAL OF JAVA CLAIM
21 b) REVIEW OF CONSTRUCTION AGREEMENTS AND
22 ACCEPTANCES FOR NOVEMBER 2000

23 CONSTRUCTION AGREEMENTS
24 EASTLAKE TRAILS NORTH, PHASE TN-3 & TN-7 (WO
25 9198)
26 EAST PALOMAR – VILLAGE 5 BOUNDARY TO OLYMPIC
27 PARKWAY (WO 9019)

28 ACCEPTANCES
29 HUNTE PARKWAY (WO 2291)
EAST ORANGE AVENUE, SHEET 10, STA. 112+00 TO
STA.
117+09 (WO 2302)
EAST ORANGE AVENUE FROM HUNTE PARKWAY TO
WUESTE ROAD (WO 8789)

1 McMILLIN OTAY RANCH SPA 1 – PHASE 2,
2 IMPROVEMENT
3 P (WO 8851)
4 BARRACK SEWER MAIN EXTENSION (BURRIS DRIVE)
5 (WO 9151)
6 FENCING @ RANCHO DEL REY WELL SITE (WO 8053)
7 LOMA DEL SOL 16" WATERMAIN (WO 2337)

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- c) ADOPTION OF RESOLUTION APPOINTING THE SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE

RESOLUTION NO. 3893

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT RECALLING MARK WATTON AND APPOINTING FRED CARDENAS AS ITS REPRESENTATIVE TO THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY

- d) AUTHORIZATION FOR GENERAL MANAGER TO EXECUTE AGREEMENTS WITH SPECIAL COUNSEL

10. General Manager Griego stated that the District's special counsels

will report on the discussion of Agenda Item 16:

- (a) REGARDING LEGAL OPINION ON ORDINANCE NO. 483 AMENDING SECTION 1.91C AND THE AMENDMENT OF POLICY 8 AND POSSIBLE BOARD ACTION
- (b) REGARDING LEGAL OPINION ON OTAY WATER RATEPAYERS ALLIANCE ALLEGATION OF BROWN ACT VIOLATION AND POSSIBLE BOARD ACTION

Brd. Member
Compen-
sation &
Benefits--
Ordinance
483, Section
1.91C and
Policy 8

discussed in closed session earlier that evening. As background for the public, General Manager Griego indicated that two special counsels were retained by the District at the Board's request to review the legality of the previous Board's action to eliminate benefits and compensation provided under the government code for District Board members as it was believed that the action would involve legal consequences to the District.

Special Counsel, Bonifacio Garcia of Burke, Williams & Sorensen, LLP, stated that on December 6, 2000 the previous Board voted to reduce Board

1 member compensation and eliminate benefits. Special counsel was asked to
2 look at the validity of the action. Mr. Garcia stated that, based on a California
3 Supreme Court decision in 1980 and the Attorney General opinion in 1997, as a
4 matter of law, Board member compensation or benefits cannot be reduced
5 during their term. The California courts in 1978 stated that a Board member's
6 term begins when the position is accepted. Mr. Garcia indicated as Director's
7 Inocentes and Watton were in the middle of their terms, and Directors Bonilla,
8 Cardenas and Lopez accepted their term prior to the December 6, 2000 Board
9 meeting, the December 6 action by the Board was not valid.
10

11 Special counsel, David Olivas of Leal, Olivas & Jauregui, LLP, stated
12 that he concurs with Mr. Garcia that the action of the previous Board on
13 December 6, 2000 with regard to Ordinance 483, Section 1.01C, and the
14 amendment to Policy 8, was not constitution and, therefore, void.
15
16

17 A motion was made by President Bonilla, seconded by Director
18 Cardenas, and carried with the following vote:

19 Ayes: Directors Bonilla, Cardenas, Inocentes and Lopez
20 Absent: Director Watton

21 to accept the opinion of Special Counsel acknowledging that the amendments
22 to Ordinance 483, Section 1.01C, and Policy 8 were void and directed staff to
23 reinstate the previous policies.
24

25 Director Cardenas stated that in support of his campaign promise to
26 reduce Board member salary by half, that he would only accept pay for five (5)
27 meetings--of the allowed ten (10)--regardless of the number of meetings he
28 attends.
29

1 Mr. Olivas stated that the Otay Water District Board received from the
2 Otay Water Ratepayers Alliance, alleging violation of the Brown Act of actions
3 by the previous Board at the November 15 and December 6, 2000 meetings
4 with regard to proposed contracts with Department Heads. Mr. Olivas stated
5 that the discussion of the contracts was in violation of government codes 54957
6 and 54954.2A in that the matter was not specifically described in the closed
7 session agenda description meetings to allow the public to know the subject
8 matter. Mr. Olivas indicated further that though the items were placed on the
9 agenda for the December 6, 2000 meeting, there was not a full and open
10 disclosure of what was discussed in the previous November 15, 2000 closed
11 session meeting. To correct the Brown Act violation, Mr. Olivas recommended
12 that the entire matter concerning the contracts and documents that were
13 discussed at the November 15 and December 6, 2000 meetings be agendized
14 for a future meeting for a full and open discussion for Board consideration and
15 possible action.

19 Mr. Garcia indicated that he concurred with Mr. Olivas' opinion.

20 A motion was made by President Bonilla, seconded by Directors
21 Inocentes and Cardenas and carried with the following vote:
22

23 Ayes: Directors Bonilla, Cardenas Inocentes and Lopez
24 Absent: Director Watton

25 to accept Special Counsel opinion and schedule the matter for a Special
26 Meeting of the Board for cure of the Brown Act violation.

27 11. Ms. Chambers presented the District's investment policy
28 (attached). She stated that she is requesting the Board's annual review of the
29 District's investment policy #27 as required by the California government code.

Dept. Head
Contracts--
Brown Act
Violation

Annual
Review of
District's
Investment
Policy

1 She indicated that she had made revisions to the current policy that is in
2 structure only and changes have not been made to the objective of the policy.

3 Ms. Chambers indicated that, overall, she is projecting a decrease in the
4 portfolio in the next year of between \$5 and \$6 million based on the CIP
5 program, leaving \$87 million in the portfolio. Ms. Chambers explained that this
6 is because of the building “boon” in the District, the total CIP projects
7 expenditure will be approximately \$24 million, where \$18 million is the
8 interconnection pipeline. She stated that builders are paying capacity fees and
9 other revenues that will bring almost the same amount in. It was noted that
10 approximately \$16-18 million was spent on CIP projects last year.
11
12

13 A motion was made by President Bonilla, seconded by Director
14 Inocentes and carried with the following vote:

15 Ayes: Directors Bonilla, Cardenas Inocentes and Lopez
16 Absent: Director Watton

17 to table the approval of the investment policy and request that it be brought
18 back to the next meeting for further review.
19

20 12. Ms. Chambers presented an informational report on the District’s
21 portfolio and reserve fund (attached). Ms. Chambers indicated that the District
22 administers 45 different cash accounts which make up the reserve fund
23 accounts and summarized the source and use of each account. The Board
24 indicated that what they would like to see in future, which could be possibly
25 discussed in the finance committee, is a five-year plan which allows the District
26 to determine how projects would be funded. Ms. Chambers indicated that staff
27 would be happy to put together such a plan, when the CIP is updated. The
28
29

Update on
District’s
Portfolio and
Reserve Fund

1 Board thanked Ms. Chambers for the detailed information provided on the
2 reserve fund.

3 13. General Manager Griego stated that the next item on the agenda
4 is the request for the adoption of ordinance number 485 updating section 2.01-
5 C of the District's code of ordinance to increase the General Manager's contract
6 signatory authorization limit to \$25,000. He indicated that many other water
7 districts have increased the General Manager's authority to execute contracts
8 from \$15,000 to \$25,000. He stated that it allows the District to continue
9 business without delaying projects—as authorization for expenses in excess of
10 \$15,000 currently would be placed on hold until requests can be submitted to
11 the next Board meeting for authorization. General Manager Griego indicated
12 that the request had been brought to the prior Board and they had decided not
13 to increase the signatory level.
14
15

16
17 Director Cardenas indicated that he wanted to make it clear before voting
18 on the issue that he is voting to support the issue not because other water
19 districts have increased the General Manager's signatory level, but because he
20 had once been the District's General Manager and has first-hand knowledge of
21 such situations. He asked the Board to consider increasing the signatory level
22 to \$50,000 as opposed to \$25,000. Director Inocentes stated that he had for a
23 long time felt that the General Manager sometimes had his hands tied because
24 he had to bring things to the Board. He indicates that he has alot of trust in
25 General Manager Griego. Director Lopez asked if this would eliminate having
26 decisions come to the Board for things that are \$50,000 or less. Director
27 Cardenas indicated that the General Manager would still need to report
28 expenditures to the Board. This would just allow him more flexibility of what he
29

Request to
increase
General
Manager's
signatory
authority

1 could enter into (i.e. respond to an emergency or approve a change order on a
2 construction project) without coming to the Board for authorization. Director
3 Inocentes also added that the authorization can be rescinded if the Board felt at
4 some point that they wish to change the authorization level.

5 A motion was made by Director Cardenas, seconded by President
6 Bonilla and carried with the following vote:

8 Ayes: Directors Bonilla, Cardenas Inocentes and Lopez
9 Absent: Director Watton

10 that the Board increase the General Manager's contract signatory authorization
11 to \$50,000 as opposed to \$25,000.

12 14. General Manager Griego indicated the next item on the agenda is
13 the Board committee appointments. President Bonilla appointed the following
14 committees and members of each committee as follows:
15

16 Administration/Finance Committee:
17 Director Inocentes, Chair
18 Director Cardenas

19 Engineering/Operations Committee:
20 Director Cardenas, Chair
21 Director Lopez

22 Interagency Committee:
23 Director Inocentes, Chair
24 Director Cardenas

25 Water Quality Committee:
26 Director Watton, Chair
27 Director Inocentes

28 Environmental Compliance Committee:
29 Director Watton, Chair
30 Director Cardenas

Information Technology Committee:
Director Lopez, Chair
Director Inocentes

Board
Committee
Appointments

1 Ad Hoc Executive Committee
2 Director Cardenas
3 Director Inocentes

4 Director Cardenas also stated that he wanted as part of the structure of each
5 committee that Department Directors and the General Manager attend the
6 committee meetings.

7 15. Mr. Peasley presented to the board a recommendation to award a
8 professional engineering services contract for the Patzig Reservoir
9 Recirculation Pump System to Kennedy Jenks Consultants (report attached).
10 Kennedy Jenks Consultants would provide professional engineering design
11 services for improvements to the central system at the Patzig Reservoir for
12 some deficiencies identified by the Engineering Department in preliminary
13 design reports.
14
15

16 Director Cardenas indicated that he would like to recommend that this
17 item be referred to the Engineering Committee. He indicated that there was
18 work performed by a former contractor which did not meet standards and he
19 would like to discuss in committee some of the resolutions of the deficiencies
20 that were identified. The item was referred to the Engineering Committee and
21 would be brought back to the Board with the committee's recommendation.
22
23

24 16. General Manager Griego presented the resolution to the Board to
25 change the regularly scheduled Board meeting time from 1:30 p.m. to 6:00 p.m.
26 (on the first and third Wednesday of each month). President Bonilla indicated
27 that the meeting time is being changed to provide an opportunity for the public
28 to attend/participate in the District Board meetings.
29

Patzig
Reservoir

Change
meeting time
of Regularly
scheduled
Board
meetings to
6:00 p.m.

1 A motion was made by Director Inocentes, seconded by President
2 Bonilla, and carried with the following vote:

3 Ayes: Directors Bonilla, Cardenas Inocentes and Lopez
4 Absent: Director Watton

5 to change the meeting time of the regularly scheduled Board meetings from
6 1:30 p.m. to 6:00 p.m.

7 17. Ms. Jan Tubiolo presented an informational report on the Water
8 Conservation Garden (report attached). She stated that the Joint Power
9 Authority was created in 1992 for the development and establishment of the
10 Water Conservation Garden. The Authority governs the Garden and consists of
11 Otay Water District (lead agency), Helix Water District and Grossmont
12 Cuyamaca Community College District. The Garden was established through
13 the direction of the East County Water Conservation Committee which was
14 established in response to the severe drought which ended in 1991. Ms.
15 Tubiolo indicated that the Garden was designed to demonstrate and educate
16 the public on the design of attractive, yet water efficient landscapes, to reduce
17 outdoor water use demand. The Garden was established on 4.2 acres of land
18 dedicated by the Grossmont Cuyamaca Community College District. Otay
19 Water District and Helix Water District each share (50%) in the expenses of the
20 Garden. The Garden was officially opened in 1999 and has since had
21 approximately 12,000 visitors.
22
23
24
25

26 There was concern expressed by the Board that the Garden is costing
27 the District/ratepayers approximately \$150,000 annually and while it is certainly
28 a nice educational tool/service for the public, they would like to see it move to a
29

Water
Conservation
Garden
Update

1 self-sustaining endeavor. The Board asked staff to put together a business
2 plan which works towards a self-sustaining concern.

3 18. The Board recessed at 7:30 p.m. and reconvened at 7:45 p.m.

4 19. Mr. German Alvarez indicated that staff acknowledges the new
5 direction of the Board to move the Garden toward a self-sustaining endeavor
6 and just wanted to comment that the previous direction was not based on
7 revenue. He stated that staff would work on putting together a more
8 appropriate business plan which would be brought back to the Board.
9

10 20. Mr. Dave Burpeau presented his informational report (attached)
11 which outlines the basic District security program. He indicated the main
12 concern was to provide options for security during Board meetings. Mr.
13 Burpeau stated that there are two options he recommends. An unarmed
14 security guard or an off-duty armed policy officer could be present at Board
15 meetings. He indicated the cost for the unarmed security guard or off-duty
16 armed policy officer would cost approximately \$1642 or \$1720 respectively
17 through the end of the fiscal year.
18
19

20 President Bonilla asked that the General Manager review the matter and
21 present a proposal to the Board at a future meeting.
22

23 21. Mr. Alvarez presented his informational report (attached) on the
24 disbursement last December of the one-time wage payment to unrepresented
25 employees. He stated that the policy the previous Boards have followed has
26 been to treat unrepresented and represented employees in the same fashion
27 with respect to compensation, benefits and other similar negotiated items. He
28 indicated that the compensation items that were approved for represented
29 employees was generally extended to unrepresented employees. Mr. Alvarez

Security
Update

One-Time
Wage
Payment

1 indicated that in 1995 the first disbursement made from the total compensation
2 fund was approved by the then Board. That disbursement also included a
3 disbursement for unrepresented employees based on the policy that both
4 groups would be treated similarly. He stated that the disbursement which
5 occurred in December 2000 (approved by the Board), was based on the same
6 policy as previous disbursements. General Manager Griego added that the
7 Board adopted a resolution (number 3875) at the September 6, 2000 meeting
8 which establishes the intent and the policy which the Board wished to follow.
9
10 The Board also directed staff to audit the Total Compensation fund to assure
11 the funds accumulated in the fund were consistent with their policies and prior
12 direction. That audit was received in draft form and based on the audit, the
13 funds did reconcile closely to what was projected to be in the fund. The
14 finalized audit report should be received soon.
15

16
17 Director Cardenas indicated that the reason he brought this forward for
18 review was he had a concern with Department Heads receiving the one-time
19 wage payment. His concern is not with the total compensation package, nor
20 the Board's policy relating to the total compensation package, but that the
21 unrepresented employees received funds from the ratepayers directly. He
22 asked the Board to refer the matter to special counsel for review as he was
23 concerned that the disbursement was not within the context of the law.
24

25 The Board referred the matter to special counsel for review.

26
27 22. Mr. Geoff Stevens presented an informational report (attached)
28 and demonstration of the Geographical Information System (GIS) project. He
29 indicated that there was a major change in policy and direction of the GIS
project when it was transferred from the Engineering to Administrative Services

GIS Project
Update

1 Division. The changes consisted of abandoning custom software development
2 in favor of using a less complex, industry standard, off-the-shelf software. A
3 demonstration of the software was provided to the Board.

4 Director Cardenas asked how much of the project was complete at this
5 time. Mr. Stevens indicated that Phase I, completing the integrated base map,
6 is 99% complete. The applications that would be built on top of the mapping for
7 the operators to use in the field or to perform some analysis based on the data
8 have not been built, as they were not part of Phase I of the project. He
9 indicated that Phase I of the project was to complete the integrated base map
10 and have the software available for employee use.
11
12

13 Director Cardenas had further questions and concerns with regard to the
14 project and asked that it be referred to Committee.

15 The Board referred the GIS project to the Engineering Committee for
16 review.
17

18 23. Mr. Charlie Cassens indicated that he had submitted an
19 informational report to the Board on the Rancho del Rey Well Site (attached)
20 and would be happy to answer any questions. Director Cardenas asked how
21 much money is currently available in CIP number 288. Mr. Cassens indicated
22 that originally the approved budget was \$2,777,000. Total expenditures for the
23 well site totaled \$446,000 and \$240,000 was received for the sale of the
24 adjacent property to the well site. Overall, the District spent \$206,000 which
25 leaves approximately \$2.5 million available in CIP 288.
26
27

28 24. General Manager Griego indicated the next item on the agenda is
29 a request of Board's approval to reclassify a vacant position, Water Resources
Planning Manager, to Special Assistant to the General Manager. He indicated

Rancho del
Rey Well
Site

Reclassifi-
cation of
Water
Resources
Planning
Mgr. to
Special
Asst. to the

1 that the position would assist the General Manager in general projects,
2 coordinate any legal issues and keep the Board and General Manager informed
3 on such matters.

4 A motion was made by Director Inocentes, seconded by Director
5 Cardenas, and carried with the following vote:

6
7 Ayes: Directors Bonilla, Cardenas Inocentes and Lopez
8 Absent: Director Watton

9 to approve the reclassification of the Water Resources Planning Manager in the
10 General Manager's office to Special Assistant to the General Manager at a
11 salary grade rate of 31 and to waive the posting requirement for the position.

12 25. General Manager Griego presented his report to the Board
13 (attached). He indicated that he had an opportunity to attend the swearing in of
14 the new congress at his own expense and had an opportunity to meet most of
15 the congressional delegates for California. Some will be working on water
16 issues and the District will have contacts on such issues in Washington, DC.

17
18 He stated that there will be quarterly developer meetings scheduled and
19 indicated that these meetings will allow the District to get feedback from
20 developers with regard to our relationship and discuss any issues they may
21 have. The meetings have been well attended and staff will inform Board
22 members of scheduled meetings should they have an interest in attending the
23 meetings.
24

25
26 General Manager Griego also stated that he would like to make the
27 Board aware that he wished to schedule a workshop at a future date to review
28 with the Board the District Business Plan for FY2001-2002. He stated that he
29

Staff Repots

1 hopes to incorporate the goals of the new Board in the plan. He added that it
2 may also be worthwhile to review the plan in committee if the Board prefers.

3 Lastly, General Manager Griego indicated that there is a Special District
4 Workshop in Monterey, California which he is planning on attending. The
5 workshop will provide a review of the new legislation for special districts. He
6 also distributed to the Board a list of meetings which will be occurring at the
7 different water related organizations and districts.
8

9 Ms. Donna Bartlett-May presented her report (attached) on Government
10 Affairs issues. She noted that the District participated in the City of Chula
11 Vista's Yuletide Parade which was very successful. She stated that the District
12 is also utilizing its speakers bureau for community involvement and has had
13 speakers provide presentations to Kelsey-Jenny College and the South Bay
14 Irrigation District. She noted that requests have been received from various
15 organizations for speakers. She also indicated that the District had been
16 nominated for an Excellence in Energy Award sponsored by the San Diego
17 Business Journal for its efforts in conserving energy through innovation.
18
19

20 Director Cardenas noted that in the Pipeline there was a misstatement
21 indicating that all Otay Water District water flows through the treatment plants of
22 Helix Water District and the City of San Diego. He asked that staff retract the
23 statement and inform constituents that the District does not buy water from
24 either, though it has in the past from Helix, it has been sometime since it has
25 purchased from Helix. He also asked that they include that fluoridation will not
26 be an issue.
27
28

29 Mr. German Alvarez presented his department report (attached) which
summarized the activities for the month of December, 2000. He indicated that

1 Human Resources had initiated five (5) recruitments in December and four
2 additional recruitments are planned for January, 2001.

3 He stated that the Information Technology Division responded to 225
4 service requests, the Purchasing Division processed 200 orders with a value of
5 \$250,000 and in the area of safety, there were zero lost time accidents in the
6 month of December.
7

8 Director Bonilla indicated that he would like to freeze further hiring with
9 the exception of the Special Assistant to the General Manager position that was
10 just approved, until the Board can become more knowledgeable on the hiring
11 policies. The Board concurred.
12

13 Mr. Jim Gunstinson presented his report (attached) and highlighted that
14 the District serviced the City of San Diego with water for about eight (8) days
15 through the District's interconnect at Heritage Road while the city serviced a
16 pump station and pipeline. The City of San Diego used about 2,500 GPM at
17 certain times a day and used our services around the clock. Staff also serviced
18 a leak on Hidden Mesa which caused major flooding and damage to three
19 residences in the immediate area. The damage was cleaned up and everything
20 was back in order within 24 hours. Mr. Gunstinson added that staff may
21 possibly replace the pipeline as it was originally installed in 1964-65.
22

24 Director Cardenas commented to Mr. Gunstinson that should Operations
25 have any special needs or requests, as it is because of these facilities that the
26 District is here, not to hesitate to let General Manager Griego know, and the
27 Board would try to respond as quickly as possible.
28

29 Ms. Suzanne Chambers presented her report (attached) and indicated
that for the five (5) months ending November 30, 2000, total revenues were \$16

1 million, with excess revenue of approximately \$550,000. She noted that,
2 unfortunately, our power costs this fiscal year will be considerably more than
3 budget, however, the District is still expected to come in on budget by June 30,
4 2001, due to the additional water sales through District growth.

5 26. Mr. Jim Peasley reported on a meeting he attended on General
6 Manager Griego's behalf at County Water Authority. He indicated that there
7 wasn't anything significant that occurred outside of a general update and
8 exchange of information. However, Padre did mention at the meeting that they
9 had filed a lawsuit along with a couple other agencies in the County with regard
10 to the energy situation. They invited others who may have an interest to join
11 their lawsuit.
12

13
14 Director Cardenas asked what was currently happening with the
15 AFFORD agency. Mr. Peasley indicated that they were still trying to establish
16 the legal entity for Metro. He noted that the previous Board had directed staff
17 not to participate in the agency and that the City of Chula Vista also had
18 decided not to participate. He stated that this might be something the new
19 Board might wish to discuss in the future.
20

21 27. Director Lopez indicated that he certainly has been overwhelmed
22 with information and asked staff to provide more "readable" copy as some of the
23 reports have been difficult to read because of poor copy.
24

25 Director Inocentes wished the District employees a Happy New Year and
26 stated that he feels somewhat vindicated by some of the opinions presented
27 today by Special Counsel.
28
29

CWA/MET
Report

Director's
Reports

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28. With no further business to come before the Board, the meeting
was adjourned at 8:29 p.m.

President

ATTEST:

District Secretary