

1 MINUTES OF THE
2 MEETING OF THE BOARD OF DIRECTORS
3 OTAY WATER DISTRICT
4 December 5, 2001

5 1. The meeting was called to order by General Manager Griego at
6 3:34 p.m. in the District Boardroom, 2554 Sweetwater Springs Boulevard,
7 Spring Valley, California.

8 DIRECTORS PRESENT: Bonilla, Croucher, Inocentes, Lopez and
9 Lewis (joined Board following his swearing in
10 at 5:08 p.m.)

11 STAFF PRESENT: General Manager Griego
12 Chief of Engineering and Water Ops.
13 Gunstinson
14 Chief of Administrative Svcs. and Finance
15 Alvarez
16 Special Counsel Garcia
17 Asst. Chief of Operations Porras
18 Asst. Chief of Finance Beachem
19 Asst. Chief of Engineering Arbabian
20 District Secretary Cruz
21 Others per attached list

22 2. Upon conclusion of the Pledge of Allegiance, General Manager
23 Griego presented the agenda for approval. Director Croucher requested that
24 items 11a and 15 be tabled until the fifth member of the Board had been
25 appointed as he felt that it would be worthwhile for the new member to be
26 present during the presentation of the General Manager's evaluation as it
27 covers what has been done in the last year and what is planned for the
28 following year.

29 A motion was made by Director Inocentes, seconded by Director
Croucher and carried with the following vote:

Ayes: Directors Bonilla, Croucher, Inocentes and Lopez
Noes: None

to approve the agenda with the exception of items 11a and 15.

Approval
of
Agenda

1 4. The demands list was submitted for Board approval.

2 Director Croucher inquired about check number 100137, invoice #76949,
3
4 for Burke, Williams and Sorensen regarding "consolidation." He indicated that
5 possibly the Litigation Ad Hoc committee could review the invoices so any
6 questions could be answered prior to approval at Board meetings.

7 Director Inocentes requested that he receive copies of the Burke,
8
9 Williams and Sorensen invoices prior to each Board meeting.

10 A motion was made by Director Croucher, seconded by Director Lopez
11 and carried with the following vote:

12 Ayes: Directors Bonilla, Croucher, Inocentes and Lopez
13 Noes: None

14 to approve the demands as listed. Director Inocentes voted "yes" with the
15 exception of the Burke, Williams and Sorensen check.

16
17 5. General Manager Griego asked if anyone in the audience wished
18 to be heard on any item.

19 Mr. James Clements indicated that until March 9, 2001, he was an
20 employee of the District serving as the Network Administrator of the District's
21 computer system. He indicated that he was one of five long-term employees
22 laid-off by the direction of the Board early this year. He stated that he was with
23 the District for 12 years and the other employees who were laid-off were with
24 the District between five and 26 years. He indicated the reason stated for the
25 lay-off was a reduction in work force for business reasons and that their
26 positions were no longer required. He stated that he is aware that their jobs
27
28 (legal, environmental, public relations and computer support services) are being
29 handled by temporary employees and contractors. He stated that since then,

1 the public has heard some Board members state that they have made a
2 mistake and do not support the lay-offs and some Board members say that they
3 are here to right the wrongs and do the right thing. He indicated that their lay-
4 offs were wrong and that now was the time to right the wrong. He asked that
5 the Board "turn the words into action" and direct the General Manager to start
6 the process of reinstating these employees in their jobs or positions which are
7 comparable to their former jobs or to fairly compensate those who do not wish
8 to return to the District.
9

10 Director Inocentes indicated that he did not have any knowledge of the
11 lay-offs and that it was not the Board's job to direct the General Manager to
12 either lay-off or hire employees. He stated that he would not, however, get in
13 the way of the General Manager rehiring the employees.
14

15 6. General Manager Griego presented the following items on the
16 consent calendar for approval:
17

- 18 a) ADOPT RESOLUTION NO. 3932 OF THE BOARD OF
19 DIRECTORS DESIGNATING AUTHORIZED SIGNATORIES FOR
20 DISTRICT CHECKING AND PAYROLL ACCOUNTS AT
21 CALIFORNIA BANK & TRUST AND PROPOSED AMENDMENT
22 TO CODE OF ORDINANCES REGARDING ORDINANCE 3.06
23 WITHDRAWAL OF FUNDS
24
25 b) APPROVAL OF CONCEPT OF WHOLESALE WATER
26 DELIVERY TO SWEETWATER AUTHORITY IN EXCHANGE
27 FOR FUTURE PIPELINE EASEMENT TO OTAY AND
28 AUTHORIZE GENERAL MANAGER TO EXECUTE
29 AGREEMENT WITH SWEETWATER AUTHORITY FOR THE
EXCHANGE

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

Ayes: Directors Bonilla, Croucher, Inocentes and Lopez
Noes: None

Consent
Calendar

1 to approve the consent calendar as listed. Director Inocentes voted "yes" with
2 the exception to item "b" on the consent calendar.

3
4 7. General Manager Griego indicated that the next item on the
5 agenda is item 7a, the approval of procedures for screening, interviewing and
6 appointing a Director for Division 5. Special Counsel Bonifacio Bonny Garcia
7 indicated that the deadline for the Board to act in making the appointment is
8 December 26, 2001. He stated that if the Board did not act by that time, that
9 the matter would be considered by the County Board of Supervisors. Special
10 Counsel Garcia indicated that according to direction by the Board, staff
11 advertised the availability of the Division 5 seat indicating that the District was
12 considering applications. He stated that an application was prepared and was
13 available both on-line and by request. He indicated that the opening was
14 advertised for appoximately two and half weeks with a closing date of
15 November 30, 2001. He stated that five applications were received by the
16 deadline.

17
18
19
20 Special Counsel Garcia presented the procedures for the selection
21 process and indicated the procedure has been divided into two steps. He
22 stated the first step was to select who would be invited for interviews at a
23 Special Board meeting on December 10, 2001. Special Counsel Garcia
24 indicated that with regard to the procedures for the interview process, following
25 the interview of the candidates, each Board member would vote "yes" or "no" on
26 each applicant. He indicated that the candidates who receive one or no votes
27 would not move on to the next voting process. The Board would then continue
28 to vote until three applicants are selected for the interview process.
29

Proce-
dures for
Appointing
Division 5
Director
and
Appoint-
ment of
Divison 5
Director

1 Special Counsel Garcia indicated that during the December 10, 2001
2 meeting, the selected candidates would have an opportunity to make a three
3 minute statement which would be followed by questions from each Board
4 member to the candidates and finally the same voting process would be
5 followed, as at today's meeting, until a candidate is finally selected.
6

7 President Bonilla suggested that if all five candidates were in attendance
8 of the Board meeting this afternoon, that the Board should go ahead and invite
9 each candidate to make a statement at this afternoon's Board meeting. The
10 Board concurred.
11

12 Director Inocentes indicated that, as he has stated in the past, he did not
13 wish to participate in the selection process. He stated that he would be joining
14 the audience during the proceedings. He added that he had received a call last
15 evening from one of the candidates for the Division 5 seat and believes that
16 there is an unfair advantage given to some of the candidates. He stated that
17 the candidate had indicated to him that he had received his telephone number
18 (Director Inocente's) from Ms. Myrna Marston, Marston & Marston, Inc., as
19 such, and he felt that the selection process was already somewhat flawed.
20 Director Inocentes joined the audience at 3:59pm. Special Counsel Garcia
21 directed the District Secretary that the minutes should reflect that Director
22 Inocentes stepped down for this portion of the meeting and that he was not
23 present for the purposes of the selection process.
24
25

26 General Manager Griego asked each applicant, when called, to please
27 come up to the podium and introduce themselves.
28

29 Mr. Larry Harp indicated that he was a ten-year resident of Jamul and
had served on the Casa de Oro Planning Group for the last four years. He

1 stated that he has been a resident of California for 25 years and recognizes the
2 importance of the Otay Water District as a District and that he felt, as he is
3 partially retired, that he had the time and energy to serve as the Division 5
4 Director. He added that he has been in the insurance business for the last 25
5 to 30 years and that he had an analytical background and loves to work with
6 people to empower, generate consensus and grow businesses.
7

8 Mr. Dale Laudner indicated that he was on the District Board for eight
9 years and was the operations manager for the District for ten years. He stated
10 that he has lived and voted in the District since 1960 and has a degree in civil
11 engineering from San Diego State University. He indicated that he had built
12 water systems in Africa and Puerto Rico and felt that he was very well qualified
13 for the Division 5 Director seat. He added that he also had the time, expertise
14 and desire to work for the community.
15
16

17 Mr. Paul Lewis indicated that he has been a ratepayer in the Otay Water
18 District for approximately eight years and has been a manager in information
19 technology for the last fifteen years. He stated that he has worked for
20 companies like Rohr, Solar and Stellcom, and is currently self-employed and is
21 running an embroidery business from his home. He stated that he has never
22 been in a public service role before, but he felt that it was the responsibility of
23 every taxpayer, at some point, to give back to their community and this was the
24 reason for his interest in serving on the Board of the District.
25
26

27 Mr. Michael May stated that he was a resident of Jamul and a local
28 businessman who was a native San Diegan. He stated that he has worked with
29 many different aspects of different water authorities as a consultant in

1 construction, testing, etc. He indicated that he was looking forward to the
2 opportunity to serve the public.

3 General Manager Griego indicated that the fifth applicant was Mr.
4 Timothy Stanton who was not present at the meeting this evening.

5 President Bonilla indicated that it was nice to see that Mr. Laudner still
6 had an interest in the District. He indicated that he felt all five applicants were
7 very qualified. He stated that he would like hear each Directors comments and
8 would like to move ahead with the selection process.
9

10 Director Croucher thanked each candidate for their interest in the
11 Division 5 seat. He indicated that he had looked at each applicants
12 qualifications and activities in the past and that he felt that this was where Mr.
13 Laudner really stood out. He indicated that he felt that each applicant was very
14 qualified and he was pleased to know that the District had such persons
15 interested in serving on the Board. Director Croucher asked if it was possible,
16 as one candidate was not in attendance of the evening's meeting, to move
17 ahead with the selection process so the District could continue business as
18 needed.
19
20

21 Special Counsel Garcia indicated that it was possible and that it was the
22 prerogative of the Board to set the procedure. He stated that staff recommends
23 providing each Board member an opportunity to ask each candidate questions.
24

25 Director Lopez indicated that he understands the need to move on to the
26 selection process and he favors the suggestion to select three candidates to be
27 invited back to be interviewed, however, he would concur with the Board
28 majority. He would like the opportunity, however, to interview and hear more
29 from the candidates.

1 Director Croucher indicated that the Board does have more time today
2 since it would not be addressing the other closed session issues. He stated
3 that he would like to move forward in the selection process today.

4 President Bonilla suggested that the Board take a five minute recess for
5 an opportunity to write down questions for the candidates. The Board recessed
6 at 4:05 p.m.
7

8 The Board reconvened at 4:15pm. General Manager Griego indicated
9 that the Board would be moving into the interview stage and that each
10 candidate would be asked questions by each Board member. He stated that
11 the District Secretary would draw the candidates names from a basket for the
12 order in which they will be interviewed. He asked District Secretary Cruz to
13 select a name from the basket. District Secretary Cruz announced Mr. Larry
14 Harp as the first candidate to be interviewed.
15
16

17 President Bonilla indicated that he had a total of four questions, but
18 would ask each candidate only two questions from the four. He asked Mr. Harp
19 if he had held a public office or had worked as an administrator for a public
20 organization. Mr. Harp indicated that he had never held an administrative
21 position in a public organization, however, he has served on the Board of the
22 Robert F. Driver Co. for 17 years in the Executive Committee in an executive
23 capacity. He indicated that he also was elected to the Casa de Oro Planning
24 Group which is an executive body. President Bonilla asked Mr. Harp if he
25 personally knew or had any contact with any of the Directors currently sitting on
26 the Otay Board. Mr. Harp indicated that he has met Director Croucher and has
27 had no other contact with the other Board members.
28
29

1 Director Lopez asked Mr. Harp what he felt were some of the significant
2 issues in Division 5 of the District. Mr. Harp indicated that groundwater has
3 always been a major issue in Division 5, however, he stated that it was the
4 incredibly fast growth in the District which he felt would tax, if it has not already,
5 the water capacity. He stated that, thus, long range planning would be
6 absolutely imperative and the fact that 95% of the water was imported by the
7 District from the Colorado River, the quality and cost of that water is certainly
8 going to be of major importance to Division 5.
9

10 Director Croucher asked Mr. Harp what he knew about Otay Water
11 District. Mr. Harp stated that he is aware that the District employs
12 approximately 170 employees, serves approximately 120,000 ratepayers, the
13 geographic area is approximately 129 square miles and it provides water and
14 sewer service. He added that he was also a quick study. Director Croucher
15 indicated that Mr. Harp had stated that he was serving on the Casa de Oro
16 Planning Group and asked him about his experience with regard to board
17 governance and working on the board. Mr. Harp indicated that the major issue
18 with the planning group and with the OWD board, is getting concensus and
19 cooperation from the 14 members of the group to make the planning body work
20 in terms of looking out for the best interest of the community. He stated that he
21 felt that he has been a major part of that and felt that the OWD Board also
22 needs to work well together and cooperate to make major strides in the
23 District's future to benefit the community and its employees. He stated that he
24 felt he could play a part in that through the use of his background in business
25 where he had played quite a bit of leadership roles and his education in
26 business organization in which he has a master's degree.
27
28
29

1 President Bonilla asked Mr. Harp that if by chance he was not appointed
2 this eveing, if he would be interested in running for the seat at the next election.
3 Mr. Harp indicated that he would be running in the next election for the Division
4 5 seat in nine months and felt that he had the best chance of all the candidates
5 of getting elected. He stated that he felt that it was important to have the
6 continuity and it would not be healthy for someone to be appointed for nine
7 months who very likely would not win the elections.
8

9 Director Lopez asked Mr. Harp with the very diverse population of the
10 Otay ratepayers, what his views were on diversity. Mr. Harp indicated that he
11 felt that diversity was very important.
12

13 District Secretary Cruz pulled Mr. Michael May's name as the next
14 candidate to be interviewed. President Bonilla asked Mr. May what he felt were
15 the important issues facing the District at this time. Mr. May indicated that he
16 felt the water shortage/availability, delivery and population growth in the District
17 were the main concerns at this time. President Bonilla asked if Mr. May was
18 appointed that evening how does he think he could help the District. Mr. May
19 indicated that as a team member, he could help with the operations of the
20 organization as far as the administrative activities as he is currently a business
21 owner and is very familiar with all aspects of running a business.
22
23

24 Director Lopez asked Mr. May to elaborate on his community
25 experience. Mr. May indicated that he has worked with the Boys Scouts and is
26 a Board member of a water organization in the desert area. He stated that he is
27 a corporate member on the Board of Directors for a coroporation on the
28 Colorado River which is reviewing activities and programs for water availability.
29

1 Director Croucher asked Mr. May what he knew about Otay. Mr. May
2 indicated that he is aware that the District is looking at ways to procure water
3 and was exploring wells, etc. He indicated that he is a very quick study.

4 Director Croucher asked if he has had any experience working on a Board. Mr.
5 May indicated that he is on the Board of Directors for the organization which he
6 works with and on professional organizations, like American Societies, etc., and
7 is also on the Board of Directors for a corporation on the Colorado River basin
8 where they are currently reviewing water issues.
9

10 District Secretary Cruz pulled Mr. Dale Laudner's name as the next
11 candidate to be interviewed. President Bonilla asked Mr. Laudner his feelings
12 on Mr. Harp's comments that he was the most qualified candidate and could
13 win the elections next year. Mr. Laudner indicated that he felt his qualifications
14 were pretty clear. He stated that he served eight years on the Otay Board and
15 was president for one year, treasurer for two years and was also the operations
16 manager for 10 years. He stated that he is prepared to run for re-election and
17 had run for re-election at the last elections. President Bonilla asked what Mr.
18 Laudner if his interest in the Division 5 seat was to make changes at the District
19 or is this something he feels he can contribute to. Mr. Laudner indicated that he
20 was prepared to do the job which is to work for the ratepayers and the
21 employees. He stated that he can work with the Board.
22
23
24

25 Director Lopez indicated that there were significant issues in Division 5
26 and would like him to tell us his thoughts on those issues . Mr. Laudner
27 indicated that sewers were a concern because of the growth. He stated that
28 Jamul did not have sewers and ultimately the District would need to build the
29 infrastructure for the sewers in that area. He stated that the sewers may not

1 necessarily be Otay's concern (may be the County's), however, it was one of
2 the major issues. He added that water supply in the Jamul area is also a
3 concern. He commented that Eastlake is a large growth area and he felt that
4 staff was doing a good job in handling the growth and staying ahead of the
5 demand. Director Lopez asked how he felt about diversity. Mr. Laudner
6 indicated that he had no problem with diversity and that when he was on the
7 Otay Board that they had implemented several policies addressing diversity.
8

9 Director Croucher asked Mr. Laudner what he knew about the District.
10 Mr. Laudner indicated that he felt it was a great district and that the staff was
11 doing a good job of handling the growth. He stated that he felt the Board has
12 done a good job as well. Director Croucher asked what other Board experience
13 Mr. Laudner had. Mr. Laudner indicated that he has only worked on the Otay
14 Board, but has been in management for about 40 years. He stated that he had
15 also worked with consultants and developers.
16
17

18 District Secretary Cruz pulled Mr. Paul Lewis' name as the last candidate
19 to be interviewed. President Bonilla asked Mr. Lewis what he felt he could
20 contribute to the District. Mr. Lewis indicated that he does not have a long
21 aspiration to be in politics. He stated that basically he wished to get involved.
22 He indicated that he was active in his church, in his children's activities and he
23 felt it was time for him to be involved in the community and this was an
24 opportunity for him to get involved. President Bonilla indicated that he noted in
25 Mr. Lewis' application that his occupation was in Information Technology, he
26 asked him what his experience was with GIS systems. Mr. Lewis indicated that
27 he knows a little bit about Geographic Systems as he is an aviator and
28 understands positioning and also understands the interface between computers
29

1 and satellites with regard to GIS. He stated that it is certainly not his forté,
2 however, it is not foreign to him either. President Bonilla asked if he knew any
3 of the Directors personally. Mr. Lewis indicated that he did not, however, he did
4 call each director on the Board because he felt it would be fair to give each
5 director an introduction of who he was.
6

7 Director Lopez asked Mr. Lewis his thoughts on the significant issues of
8 his Division. Mr. Lewis indicated that Otay is a little different because it is
9 further out from the main population of the city which means that its growth
10 factor will be far greater. He stated that he would be very concerned with
11 keeping up with the infrastructure to support the growth. He stated that along
12 with the growth, the District would face security issues. He stated that
13 especially with the 9/11 terror attack, the ratepayers are more concerned about
14 water pollution and contamination of the water supply. He stated that this is
15 something that would become a significant issue. Director Lopez asked his
16 view on diversity. Mr. Lewis indicated that diversity is what makes America
17 great and that he was very supportive of diversity as it was what makes the
18 United States the strongest country in the world.
19
20

21 Director Croucher asked Mr. Lewis what he knew about Otay. Mr. Lewis
22 stated that mainly that it was growing and it has sewage issues. He stated that
23 the growth of the District was going to be a challenge and that he knew there
24 have been a lot of issues in the past. He indicated he would like to put those
25 behind us and move forward. Director Croucher asked about his Board
26 experience. Mr. Lewis indicated that he has never served on a public Board,
27 but has worked in teams in his professional environment.
28
29

1 President Bonilla asked, with the consensus of the Board, if the
2 candidates had any comments. There were no comments.

3 Special Counsel Garcia indicated that the Board should vote on each
4 candidate and if one candidate should have three votes they may make a
5 motion to appoint the candidate. President Bonilla indicated to the candidates
6 that they were all excellent candidates and if they were not appointed this
7 evening it was not that they were not qualified.
8

9 The Board voted in the first round as follows:

CANDIDATES	DIRECTORS' VOTE		
	Lopez	Bonilla	Croucher
Tim Stanton	N	N	N
Larry Harpe	Y	N	Y
Michael May	N	N	N
Dale Laudner	Y	N	Y
Paul Lewis	Y	Y	N

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15
16 Special Counsel Garcia excused Mr. May and Mr. Stanton in the next
17 round of voting and thanked them for their participation.

18
19 The Board voted in the second round as follows:

CANDIDATES	DIRECTORS' VOTE		
	Lopez	Bonilla	Croucher
Larry Harpe	N	N	Y
Dale Laudner	Y	N	Y
Paul Lewis	Y	Y	N

20
21
22
23
24 Special Counsel Garcia excused Mr. Harpe in the next round of voting
25 and thanked them for his participation.

26
27 The Board voted in the third round as follows:

CANDIDATES	DIRECTORS' VOTE		
	Lopez	Bonilla	Croucher
Dale Laudner	Y	N	Y
Paul Lewis	Y	Y	N

1
2 Special Counsel Garcia indicated that there was a tie. President Bonilla
3 suggested that the Board ask the two remaining candidates a question each.
4 The Board concurred.

5 Director Lopez asked Mr. Lewis with regard to his (Mr. Lewis') comment
6 to avoid the politics at the District and referencing the articles he has read about
7 the District, did he feel prepared to take on the job as a Director of this District.
8 Mr. Lewis indicated that he realizes that it will not be "fun and games." He
9 stated it was about doing the right thing for your community and indicated that
10 he did not feel that he needed to do this, but that he "wanted" to serve the
11 public on the Board. He stated that his goal would be stay out of the politics
12 and concentrate on fulfilling the policies of the District.
13
14

15 Director Croucher asked Mr. Lewis how many meetings he had attended
16 of the District. Mr. Lewis indicated that this meeting was his second.
17

18 Director Lopez asked Mr. Laudner how prepared he felt in handling the
19 politics and serving on the Board. Mr. Laudner indicated that his position is that
20 the Board made the policies and it was the job of the staff to implement the
21 policies. He stated that he was community oriented, had the expertise and
22 time, and felt that he was qualified to continue his work on the Board.
23

24 Director Croucher asked Mr. Laudner how many Board meetings he had
25 attended within the last year. Mr. Laudner indicated that since he left his seat in
26 January, he had attended all Board meetings with the exception of the three
27 months that he was out of the State of California. Director Croucher indicated
28 that he wished to note that Mr. Laudner was still staying apprised of things
29 occurring at the District and that he had attended the LAFCO Board meeting in

1 which Otay was discussed. Mr. Laudner stated that he had been elected to the
2 LAFCO Advisory Committee and had served for three years in the position.

3 President Bonilla asked Mr. Laudner if he felt he had the energy and
4 leadership to inject into the District and to represent the ratepayers of Division
5 5. Mr. Laudner indicated that he has demonstrated that he could work with a
6 Board as he had done it for eight years and he felt that he was prepared to work
7 with the Board, ratepayers and employees.
8

9 President Bonilla asked District Secretary Cruz to call for the Directors'
10 votes on the candidates.
11

12 The Board voted in the fourth round as follows:

13

CANDIDATES	DIRECTORS' VOTE		
	Lopez	Bonilla	Croucher
Dale Laudner	N	N	Y
Paul Lewis	Y	Y	Y

14
15
16

17 Special Counsel Garcia indicated that the Board has just taken a vote
18 and selected a final candidate with three votes. He stated that the Board can
19 make a motion at this point.

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

23 Ayes: Directors Bonilla, Croucher and Lopez
24 Noes: None
25 Absent: Director Inocentes

26 to appoint Mr. Paul Lewis as the Director of Division 5.

27 President Bonilla and Special Counsel Garcia congratulated Mr. Lewis
28 on his appointment.

29 The Board concurred that they wish to swear Mr. Lewis in that evening
and have him join the Board members as the new Division 5 representative.

1 The Board recessed at 4:59 p.m. and reconvened at 5:05 p.m.

2 General Manager Griego administered the oath of office to Mr. Lewis at
3 5:05 p.m. and congratulated and welcomed him to the Otay Water District.
4 Director Lewis and Director Inocentes took their seats at 5:08 p.m.

5 8. Mr. Griego present Item 8(a) approval to increase budget for the
6 680 reservoir, 944 pump station and associated recycled pipeline projects from
7 \$6,010,000 to \$8,600,000. Mr. Arbabian indicated that staff is requesting that
8 the Board approve an increase to the budget for four CIP projects (R003, R012,
9 R008 and R019) in the amounts noted by General Manager Griego. The
10 increase is requested for two reasons: 1) the size of the 680 reservoir was
11 increased by approximately 50%; and 2) the size of the pump station was
12 increased by approximately 70%. These two components of the projects were
13 largely responsible for the increase in cost of approximately \$2.5 million. Mr.
14 Arbabian indicated that Mr. Ron Ripperger would provide a presentation on the
15 details of the projects.
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19 Mr. Ripperger indicated that the 680/944 project would provide recycled
20 water to the eastern Chula Vista Area (Eastlake). He stated that a site study
21 had been completed several years ago which incorporated members of the City
22 of Chula Vista and developers in the area. He stated that the study concluded
23 that the 680 reservoir and 944 pump station would be located in Sunset View
24 Park near Eastlake Parkway and Greensview Drive. He stated that on August
25 8, 1998 the Board approved a reimbursement agreement with the Eastlake
26 Company to design and construct the facilities within the park. He stated that
27 based on 1998 dollars, the agreement the District entered into with Eastlake
28 Company for the 680/944 project was for \$3,450,000. He noted that the cost
29

Budget
Increase for
680 Reser-
vior and
944 Pump
Station

1 did not include piping as, at the time, the understanding was that the parksite
2 was parrallel to the County Water Authority (CWA) right-of-way, but did not
3 overlap. However, it was found later that there was an overlap between the
4 right-of-way from CWA and the ownership of Eastlake Company for the park.
5 This would require off-site pipelines which were not included in the original cost
6 estimate. Mr. Ripperger also indicated that the origianl design was for a 2.2 MG
7 reservoir and a 5.9 MG pump station based on 1998 numbers which were
8 available at the time. Mr. Ripperger stated that in the process of updating the
9 District's recycled water plan, he indicated that staff realized that the ultimate
10 demand on the reservior had increased from 2.2 to 5.5 MG. He stated that due
11 to the park site and the City of Chula Vista's concerns, the largest reservoir
12 which could be located within the park is a 3.4 MG reservoir. To accommodate
13 the increase in the reservoir size, the pump station was also increased to a 10
14 MGD pump station. Mr. Ripperger indicated that the final design was
15 completed in October 2001 which included a circular buried concrete reservoir
16 (rather than a rectangular reservoir) and a partially buried pump station. He
17 noted that in the first 10 years, the District would be able to "off-peak" pump,
18 however, following the 10 years, because of the increase in demand, the
19 District would need to pump during peak hours. He indicated that a bid
20 evaluation and RFP was sent to five different contractors from which three bids
21 were received. He stated that the lowest bid was received from SSC
22 Construction of Corona, California at \$5.4 million and that all bids were higher
23 than the engineer's estimate of \$4.57 million. He stated that this is partly
24 because the estimate did not account for the fact that bids were received from
25 predominately union labor contractors and that 50% of the reservior's cost was
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1 for concrete and the cost of concrete was higher than anticipated. He stated
2 that, all reasons stated above plus the cost for off-site pipelines, the projected
3 cost was approximately \$8.6 million. Mr. Ripperger indicated that staff is
4 requesting that the total project budget be increased by approximately \$2.6
5 million.

6
7 President Bonilla asked where the money would be allocated from.

8 General Manager Griego indicated that the project was already part of the five
9 year Capital Improvement Program and staff is requesting that the Board move
10 future funds to this years budget in the amount of \$2.58 million to cover the
11 expansion of these projects.
12

13 Director Croucher indicated that he had toured the area where the
14 680/944 project would be built and had concerns with what the residents of the
15 area might think of the park. He stated that after seeing the drawings presented
16 this evening and being assured that the District does have the funds allocated
17 in the CIP he fully supports the staff request.
18

19 A motion was made by Director Croucher, seconded by Director
20 Inocentes and carried with the following vote:

21 Ayes: Directors Inocentes, Lewis, Lopez, Bonilla and Croucher
22 Noes: None

23 to increase the total project budgets for the 680 reservoir, the 944 pump station
24 and associated recycled pipelines from \$6,010,000 to \$8,590,000.
25

26 9. General Manager Griego indicated that he had an informational
27 report with regard to the Board's request for a list of the agencies the District
28 associates or contributes to for various charitable or civic purposes. He stated
29 that the list was attached to his report.

GM
Informa-
tional
Report

1 Director Inocentes indicated that the Hispanic Chamber was not listed.
2 General Manager Griego indicated that he did not know if the District was a
3 member, but that we had participated in their banquet. Director Inocentes
4 indicated that the District should be a member of the Hispanic Chamber and the
5 Asian Business Association. General Manager Griego indicated that staff
6 would assure the District was a member of the organizations.
7

8 Director Croucher suggested that as part of the Board Workshop
9 scheduled for January 2002, it would be nice to discuss the organizations which
10 which would be beneficial for the District to support.
11

12 10. General Manager Griego indicated that the next item on the
13 agenda is a video presentation by Director Croucher. Director Croucher
14 presented a video on the September 11, 2001 terror attack on the World Trade
15 Center in New York. At the end of the video presentation, a photo of twenty-six
16 year old Frank Mancini and his three-month old daughter, Sophia, was shown.
17 Mr. Mancini was a victim in the World Trade Center terror attack. He worked as
18 a laborer with Local 79, his dad's union, since he was 18. Mr. Mancini is
19 survived by his wife, Anastacia, and his daughter, Sophie. Director Croucher
20 indicated that Otay employees had donated \$1,100 and the donation would be
21 provided to Mr. Mancini's family. He stated that the monies would be placed in
22 trust for Mr. Mancini's daughter and his family was very appreciative. Director
23 Croucher thanked the Otay employees for their generosity.
24
25

26 Director Lopez thanked Director Croucher for the work he had done for
27 the District to locate the Mancini family and made a motion that the District
28 observe a moment of silence in honor of the families and victims of the
29

Otay
Employee and
Director
Donation to
the Family of
a Victim of the
World Trade
Center Terror
Attack

1 September 11 terror attack following the pledge of allegiance at each meeting.

2 The motion was seconded by Director Lewis and carried with the following vote:

3 Ayes: Directors Inocentes, Lewis, Lopez, Bonilla and Croucher
4 Noes: None

5 President Bonilla indicated that he wished to donate from the Bonilla
6 Family Foundation \$10,000 to the Mancini family. He asked that Director
7 Croucher please let him know who the check should be made payable to.

8
9 11. President Bonilla indicated that he wished to request that the
10 Board hold a Special Meeting in the month of December to discuss the closed
11 session items agendized for this evenings meeting and was tabled. A Special
12 Meeting of the Board was scheduled on Friday, December 7, 2001 at 8:00 a.m.

13 Director Lopez indicated that he would be out of town from January 8 though
14 January 18, 2002. He suggested that the Board Workshop be scheduled the
15 third week in January 2002.
16

17 12. With no further business to come before the Board, President
18 Bonilla adjourned the meeting at 5:46 p.m.
19

20
21 _____
22 President

23 ATTEST:

24
25 _____
26 District Secretary
27
28
29