

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

MINUTES OF THE
BOARD OF DIRECTORS REGULAR MEETING
OTAY WATER DISTRICT
MARCH 4, 1998

1. The meeting was called to order by President Poveda at 1:30 p.m. in the District Boardroom, 2554 Sweetwater Springs Boulevard, Spring Valley, California.

DIRECTORS PRESENT: Directors Poveda, Laudner,
Price and Inocentes

DIRECTORS ABSENT: Director Watton (arrived at 1:46 p.m.)

STAFF PRESENT: General Manager Lewinger
Operations Dept Head Mahanke
Engineering Dept Head Stanton
Finance Dept Head Chambers
Attorney Harron
District Secretary Bartlett-May
Public Affairs Administrator Cassens
Others as per attached list

2. After the pledge of allegiance, a motion was made by Director Price, seconded by Director Laudner, and unanimously carried, to approve the agenda.

3. A motion was made by Director Inocentes, seconded by Director Laudner, and unanimously carried, to approve the Minutes of the Regular Meeting of February 18, 1998 and the Adjourned Joint Meeting of February 23, 1998.

4. After discussion, a motion was made by Director Laudner, seconded by Director Price, and unanimously carried, to approve the Demands as listed.

1 5. President Poveda inquired if anyone in the audience desired to
2 address the Board on any item not on the agenda. No one wished to be heard.

3 6. Director Poveda requested Item 7c be pulled from the Consent
4 Calendar. A motion was made by Director Inocentes, seconded by Director Price,
5 and unanimously carried, to adopt the following items on the Consent Calendar:
6

7 a) RESOLUTION NO. 3721

8 A RESOLUTION OF THE BOARD OF DIRECTORS OF
9 OTAY WATER DISTRICT AUTHORIZING THE EXECUTION
10 OF AN AGREEMENT WITH SHEA HOMES LIMITED
11 PARTNERSHIP, A CALIFORNIA LIMITED PARTNERSHIP,
12 FOR CONSTRUCTION OF A WATER SYSTEM FOR
"RANCHO DEL REY SPA III, BOLERO UNIT 2" (WO 8736 –
ID 22 AND 27 – DIV 2)

13 b) RESOLUTION NO. 3722

14 A RESOLUTION OF THE BOARD OF DIRECTORS OF
15 OTAY WATER ACCEPTING WORK COMPLETED UNDER
16 AN AGREEMENT WITH RANCHO DEL REY INVESTORS,
17 L.P., A LIMITED PARTNERSHIP, FOR CONSTRUCTION OF
18 WATER FACILITIES FOR "RANCHO DEL REY SPA III,
PHASE 1, UNIT 3" (WO 8502 – ID 22 AND 27 – DIV 2)

19 RESOLUTION NO. 3723

20 A RESOLUTION OF THE BOARD OF DIRECTORS OF
21 OTAY WATER DISTRICT ACCEPTING WORK
22 COMPLETED UNDER AN AGREEMENT WITH EASTLAKE
23 DEVELOPMENT CO., A CALIFORNIA GENERAL
24 PARTNERSHIP, FOR CONSTRUCTION OF WATER
FACILITIES FOR "EASTLAKE SOUTH GREENS – UNIT 6,
PHASE AD-2" (WO 8395 – ID 22 AND 27 – DIV 1)

25 d) SUPPORT FOR PROPOSED LEGISLATION THAT WOULD
26 INCREASE BIDDING THRESHOLD TO \$50,000 AND PLACE AN
27 INFLATOR BASED ON THE "ENR" IN STATE LAW PROVISIONS
28 DEALING WITH BIDDING REQUIREMENTS
29

1 e) AUTHORIZATION FOR GENERAL MANAGER TO EXECUTE
2 CHANGE ORDER NO. 2 FOR AN AMOUNT OF -\$4,515.27,
3 CHANGE ORDER NO. 3 FOR AN AMOUNT OF -\$21,463.50, AND
4 CHANGE ORDER NO. 4 FOR AN AMOUNT OF \$14,111.20, TO
5 BE INCORPORATED INTO J.W. CONTRACTING
6 CORPORATION'S CONTRACT FOR PATZIG LINING AND
7 COVERING

8 7. Director Poveda stated he pulled Item 7c, Request for
9 Engagement Letter from Leaf and Cole for the District's Fiscal 1998 Audit
10 and Financial Statements, to discuss the District's practice of retaining
11 accounting firms for approximately five years. He stated he felt this practice
12 is effective and important for continuity. He inquired how the other
13 Directors felt.

14 Director Price stated she was pleased with Leaf and Cole and is
15 comfortable with the five year time period.

16 Director Inocentes stated he had no problem since this is brought to
17 the Board every year and if Finance Department Head Chambers had a
18 problem with the firm, she would let the Board know.

19 A motion was made by Director Price, seconded by Director
20 Poveda, and unanimously carried, to authorize Staff to request an
21 engagement letter from the firm of Leaf and Cole CPAs to provide an audit
22 of the District's financial records for the year ending June 30, 1998.
23

24 8. Mr. Dave Schlesinger of the Metropolitan Wastewater
25 Department of the City of San Diego, described the City's water
26 repurification project. There are still public concern issues such as health
27
28
29

1 and safety, cost, and public perception. More public outreach will be done
2 including extensive local media coverage. He stated Repurified water is
3 safe, reliable and affordable, it will give the region a source of locally
4 controlled, uninterrupted water and it is vital to the continued economic
5 growth of the region. The San Diego City Council has voted to spend
6 another year on educating the public on this project. It is anticipated the
7 project will be on line in 2002. The City is required to build 45 MG of
8 reclaimed water capacity by 2010. The North City plant is 30 MG and the
9 South Bay Reclamation Plant will be 7 MG. The City is interested in
10 working with the District and Mexico to become customers of the South Bay
11 plant. He stated if any of the Directors wanted a tour of the North City Plant,
12 they should contact his office.
13
14
15

16 The Board thanked Mr. Schlesinger for his presentation.

17 9. Engineering Department Head Stanton reported that the Shepherd
18 of the Valley Lutheran Church on Fury Lane lies outside the District and receives
19 water service from Helix Water District. The Church feels the cost to have Helix
20 install the fire service is prohibitive and they do not wish to deannex from Helix and
21 annex into Otay. They are requesting the Board approve the installation of a fire
22 service on an outside user basis. Helix Water District does not object to Otay
23 providing the fire service but there is no provision for outside user fire service in
24 the District Code. Staff feels that outside users obtaining only fire service from the
25 District should pay a share of the cost of the infrastructure via an equivalent
26 capacity fee equal to that paid by a single family dwelling The capacity fee for ID
27
28
29

1 20 where the Church is located is \$2,740.39 making the total cost for the fire
2 service, including installation, \$9,592.39. He requested the Board approve the fire
3 service and authorize Staff to proceed with the necessary revisions to the Code.

4 This will make it possible for Staff to deal with all requests in the same manner.

5
6 Director Price stated she felt consistency was important.

7 Director Watton stated he would like the District to cooperate with adjacent
8 agencies with these types of service as much as possible.

9
10 A motion was made by Director Price, seconded by Director Watton, and
11 unanimously carried, to approve the Church's waiver request for an outside user
12 fire protection service and approve Staff returning with recommended changes to
13 the Code of Ordinances.

14
15 10. Environmental Specialist Mike Coleman stated he is seeking Board
16 approval for a Mitigated Negative Declaration for the Otay Mesa Raw/Reclaimed
17 Water Transmission Facilities.

18 Principal Engineering Technician Mitch Young described the facilities
19 needed including a pumping station, a reclaimed reservoir, a 16-inch transmission
20 line from the pump station to the reservoir and a 16-inch transmission line to
21 connect to the regional reclaimed water system. He stated the proposed project is
22 part of the Master Planned Facilities to provide for the supply and distribution of
23 raw/reclaimed water to the Otay Mesa and Central areas of the District. The
24 supply of raw water would be from the Lower Otay Reservoir and/or the San Diego
25 County Water Authority Raw Water Pipeline. The source of Reclaimed water
26
27
28
29

1 would be the City of San Diego South Bay Water Treatment Facility or the Ralph
2 W. Chapman Water Recycling Facility.

3 Mr. Coleman stated uses for the water would include the East Mesa
4 Detention facility and the future jail expansion. The benefits are that construction in
5 the current alignment will be less expensive, the jail will save money through the
6 use of raw/recycled water, the project would provide an alternative source of water
7 to Otay Mesa and the region would benefit through redundancy and the deferral of
8 construction of pipeline 6. A Mitigated Negative Declaration has been prepared.
9
10 The comments received from the public and Staff's response are included in
11 Attachment 2 to the Staff Report. The project, with inclusion of mitigation
12 measures, will not have a significant effect. The necessary funding for the project
13 (\$6,710,000) is available from the Recycled Water Funds and is 100% expansion.
14

15
16 Engineering Department Head Stanton stated the District could probably
17 save \$500,000 by doing this project in conjunction with the interconnection project.

18 A motion was made by Director Inocentes, seconded by Director Price,
19 and unanimously carried, to find that the project as proposed will not have a
20 significant effect on the environment because appropriate mitigation measures
21 have been incorporated into the project, approve the Mitigated Negative
22 Declaration, and direct Staff to file a Notice of Determination with the County
23 Clerk.
24
25

26 11. Mr. Coleman reported that as part of the District's commitment to
27 distributing work to consultants and reducing overall costs, Staff is proposing "as-
28 needed" professional environmental service contracts for two-year terms. The
29

1 District has successfully used these professional environmental services for the
2 past two years. The magnitude of these services has increased as Staff has
3 attempted to maintain the schedule on numerous environmental clearances related
4 to the budgeted CIP workload. Currently individual tasks are limited to \$50,000
5 which does not leave room for change orders. To permit the use of these
6 contracts for up to \$50,000, Staff proposes that change orders of up to 30% be
7 delegated to the General Manager. The total value of a task order plus change
8 orders would be limited to \$75,000. The proposed two-year contracts would save
9 approximately \$10,000 in Staff time. Each consultant selected will perform various
10 environmental services ranging from studies to construction monitoring based on
11 actual costs plus a fixed profit fee. Fourteen firms received an RFP and nine firms
12 responded. The four firms chosen by the selection panel are RECON, Helix
13 Environmental Planning, EnviroMINE and P & D Environmental Services. The
14 number of contracts was increased from two to four to allow a mix of small and
15 large firms. The amount of each contract cannot exceed \$100,000 per year.
16
17
18
19

20 A motion was made by Director Price, seconded by Director Inocentes,
21 and carried, with Director Laudner voting no, to authorize the General Manager to
22 execute separate two year contracts with RECON, Helix Environmental Planning,
23 P & D Environmental Services and EnviroMINE to provide "as-needed"
24 environmental services for amounts not to exceed \$100,000 per year, with initial
25 task orders not to exceed \$50,000 and total task orders including change orders
26 not to exceed \$75,000.
27
28
29

1 12. Engineering Department Head Stanton reviewed the progress of the
2 Headquarters project. He stated the remodeling of the old building should be
3 completed by the end of the month with move in during April.

4 Director Price inquired if the District would have a workout room like Helix
5 has.
6

7 General Manager Lewinger stated he planned to put money into the next
8 budget to outfit such a room.

9 A Building Steering Committee meeting will be scheduled to discuss the
10 first floor of the old building. A tentative open house date has been set for May 15.
11

12 13. Finance Department Head Chambers submitted the monthly
13 financial reports for January 31, 1998 and the cash investments and receivables
14 for February 28, 1998.
15

16 14. General Manager Lewinger reported the District is hosting a
17 breakfast on March 23 at 7:30 at Jakes South Bay where Congressman Filner will
18 speak. He gave each Director a news release and letter from Senator Ayala's
19 office regarding a select committee that has been formed to investigate the
20 Metropolitan Water District and the Partnership for Regional Water Reliability. At
21 the WaterReuse Legislative Committee there was discussion regarding legislation
22 brought forward by the water softener industry that would increase the efficiency of
23 water softeners. Water recycling agencies let the legislators know they would not
24 support such legislation because of the increase in salt into the system which
25 causes a problem for reclamation. The water softener industry was unable to find
26 any legislator to carry their bill. This could mean this might be the year when some
27
28
29

1 negotiating could be done to get some kind of compromise agreement setting
2 guidelines that would ban self-regenerating water softeners in certain areas. He
3 and Director Laudner met with the AFFORD group where the agreement that has
4 been worked out by the participating agencies and the City Metro Wastewater
5 Division on extending the contracts for the next 50 years was discussed. This
6 agreement will be brought forward at the next Board meeting. He also reported
7 that Padre Dam will consider joining the Garden Authority as a joint venture partner
8 at their March 10 meeting.
9

10
11 15. Director Watton provided more information regarding the press
12 conference held by Senator Ayala regarding the select committee formed to
13 investigate Metropolitan and the Partnership for Regional Water Reliability.
14

15 16. Director Inocentes reported he and Director Price attended the
16 California Special District Association's dinner where the subject was privatization.

17 Director Price stated she attended the ACWA Communications Committee
18 where she volunteered Mr. Lewinger for a subcommittee dealing with
19 communications technology. She also attended the Sweetwater Authority's
20 rededication ceremony.
21

22 Director Laudner reported on his attendance at the Metro Commission
23 meeting and the LAFCO Advisory Committee where consolidation of water and
24 sewer districts was discussed.
25

26 15. The meeting was recessed at 3:20 p.m. and was reconvened in
27 Closed Session at 3:25 to discuss performance evaluations for the General
28
29

1 Manager and the Legal Counsel. The Board reconvened in Open Session at 4:12
2 p.m.

3 16. A motion was made by Director Poveda, seconded by Director
4 Inocentes, and unanimously carried, to give Tom Harron, Legal Counsel, a 3%
5 salary increase and a \$5,000 bonus.
6

7 A motion was made by Director Poveda, seconded by Director Watton,
8 and unanimously carried, to give Keith Lewinger, General Manager, a 2% salary
9 increase and a \$1,500 bonus.
10

11 17. With no further business to come before the Board, the meeting was
12 adjourned at 4:15 p.m.
13

14 _____
15 President

16 ATTEST:

17 _____
18 District Secretary
19
20
21
22
23
24
25
26
27
28
29