

1 MINUTES OF THE  
2 BOARD OF DIRECTORS REGULAR MEETING  
3 OTAY WATER DISTRICT  
4 SEPTEMBER 2, 1998

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

9 DIRECTORS PRESENT: Directors Poveda, Laudner, Price, Watton,  
10 and Inocentes

11 DIRECTORS ABSENT: None

12 STAFF PRESENT: General Manager Lewinger  
13 Operations Dept Head Mahanke  
14 Engineering Dept Head Stanton  
15 Finance Dept Head Chambers  
16 Attorney Harron  
17 District Secretary Bartlett-May  
18 Public Affairs Administrator Cassens  
19 Others as per attached list

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

23 3. Director Inocentes requested that his comments regarding why he  
24 abstained on the golf course lease agreement be included in the minutes of  
25 August 19, 1998. These minutes will come back to the next Board meeting for  
26 approval.

27 4. A motion was made by Director Poveda, seconded by Director  
28 Inocentes, and unanimously carried, to approve the Demands as listed.  
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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 inquired if anyone would like to pull any  
4 items from the Consent Calendar.

5                   Director Inocentes requested Item 7e be pulled.

6                   Item 7h was pulled because the Staff Report had not been included  
7 in the Board package. It will be on the next agenda.  
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9                   A motion was made by Director Price, seconded by Director  
10 Watton, and unanimously carried, to adopt the following items on the  
11 Consent Calendar:  
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13                   a)                               RESOLUTION NO. 3759

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15                               A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY  
16 WATER DISTRICT FIXING TERMS AND CONDITIONS FOR THE  
17 ANNEXATION TO OTAY WATER DISTRICT AND IMPROVEMENT  
18 DISTRICT NO. 18 OF THOSE LANDS DESCRIBED AS "APN 517-  
19 021-36 (SIRAGUSA)" AND ANNEXING SAID PROPERTY TO  
20 OTAY WATER DISTRICT AND IMPROVEMENT DISTRICT NO. 18

21                   b)                               ORDINANCE NO. 471

22                               AN ORDINANCE OF THE BOARD OF DIRECTORS  
23 OF THE OTAY WATER DISTRICT AMENDING SECTION 60 OF  
24 THE CODE OF ORDINANCES PERTAINING TO UTILITY  
25 FACILITIES FOR SUBDIVISIONS AND PARCEL MAP  
26 DEVELOPMENTS

27                   c)                               AUTHORIZATION FOR GENERAL MANAGER TO EXECUTE  
28 PURCHASE ORDERS TO HAWORTH FURNITURE FOR  
29 \$51,338.61 AND CONTRACT INTERIORS FOR \$16,701.25

                  d)                               APPROVAL OF SWEETWATER AUTHORITY'S DEANNEXATION  
REQUEST FOR APN 580-010-15

1 f) APPROVAL OF REIMBURSEMENT TO MR. JOHN SULLIVAN  
2 FOR PRESSURE REGULATOR

3 g) REAFFIRMATION THAT THE DISTRICT HAS NO OBJECTIONS  
4 TO THE FORMATION OF A COUNTY SANITATION DISTRICT  
5 PROVIDING WASTEWATER COLLECTION AND DISPOSAL FOR  
6 THE EAST OTAY MESA AREA

7 8. Director Inocentes stated he pulled the item regarding the  
8 authorization to fund Contracting Opportunities Center (COC) in the amount  
9 of \$4,200 because he had some questions. He inquired if this item was in  
10 the budget.

11 General Manager Lewinger stated this was included in the CIP.  
12 Staff feels this is what it would cost the District if it accomplished these  
13 tasks itself rather than having the COC perform them.

14 Director Inocentes stated he did not see anything in the report  
15 specific to Otay. He inquired if there were any District contracts included in  
16 the contracts received by COC clients.

17 Mr. Chuck Waldrop, COC Project Manager, stated he is aware of a  
18 \$100,000 contract awarded in late 1997 but there is no process to keep  
19 track of this. He stated COC held workshops for the County Water  
20 Authority where they also reviewed Otay's specifications.

21 Director Inocentes stated he would like more specific information on  
22 who did not get bids and why and what COC did to help them afterward.  
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1 Mr. Waldrop stated he could try to find that information but the major  
2 thing COC was asked to do was to provide the necessary training and he  
3 feels they have accomplished that.

4 Director Inocentes stated he still supports COC's efforts but he  
5 would like to know what benefit the District is deriving and how successful  
6 the program has been.

8 Mr. Waldrop stated he had attached information to his letter, which  
9 did not get copied for the Board, and this is all the information he has.

11 Engineering Department Head Stanton stated COC does not keep  
12 this type of information, especially on subcontractors. The District would  
13 have to get this information from contractors when contracts are awarded.  
14 He stated he would get the Board copies of the information that was  
15 attached to the COC letter.

17 General Manager Lewinger stated the measurement of success  
18 needs to be defined. Staff wanted to make sure contractors and  
19 subcontractors used COC to get the help they needed to be able to bid on  
20 District projects. This way the District would be able to provide more  
21 opportunities to small businesses.

23 This item will be brought back to the next Board meeting with  
24 additional information.

26 9. Attorney Harron stated Valley Crest Landscape, a  
27 subcontractor working on the Paseo Ranchero School, was found to have  
28 an unauthorized connection to a District fire service and the general  
29

1 contractor, Taylor-Ball, was fined \$1,000. He stated this was a particularly  
2 dangerous connection as it was made to the fire service prior to the RP  
3 device and, therefore, caused a cross-connection between the potable and  
4 reclaimed water systems.

5  
6 Mr. David Borego, General Superintendent for Valley Crest, stated  
7 they tell their workers not to make these connections but someone made a  
8 mistake and they were reprimanded.

9  
10 Director Price stated that given the history of this contractor with two  
11 prior unauthorized connections, the District might want to reconsider the  
12 policy to make it more expensive for second and third offenses. She  
13 suggested \$1,500 for a second offence and \$2,000 for a third offense.

14  
15 Water Use Investigator Johnson stated she cites whoever signed the  
16 agreement with the District but the contractor will often pass the fine down  
17 to the subcontractor if they were the ones to actually make the connection.  
18 She suggested something be done at the time the contractor comes in for  
19 the construction meter.

20  
21 Director Inocentes stated the prime contractor should be educating  
22 the subcontractors not to make these connections.

23  
24 Director Price requested the policy be brought back for further  
25 discussion.

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27 Director Poveda cautioned against getting carried away with  
28 excessive fines.

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Director Price stated she did not feel her suggestion was excessive.

1 Director Watton stated the shock of receiving a criminal subpoena  
2 might be a deterrent.

3 A motion was made by Director Poveda, seconded by Director  
4 Laudner, and unanimously carried, to deny the request by Valley Crest  
5 Landscape to waive the \$1,000 fine.  
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7 10. Engineer Jim Peasley stated Staff is requesting the Board's  
8 approval to have the General Manager execute a letter agreement with  
9 Helix Water District to reimburse Helix up to \$50,000 for consultant fees to  
10 be paid on Otay's behalf as part of the Helix Flume Replacement Project.  
11 He gave a presentation regarding the project and outlined the District's  
12 requirement for additional storage in the North District. Additional storage  
13 is required at Regulatory and 16 MGD is required from an alternative  
14 source such as the Helix Levy Treatment Plant. County Water Authority  
15 Staff recently prepared a draft study that identified the necessary  
16 improvements and associated costs to increase the capacity of the La  
17 Mesa-Sweetwater Extension Pipeline from 5 MGD to 8 MGD from the Otay  
18 No. 8 connection without use of the Helix flume system. Otay Staff reviewed  
19 that study and requested that CWA further evaluate the La Mesa-  
20 Sweetwater Extension to determine the cost necessary to increase delivery  
21 capacity incrementally to 16 MGD. CWA has agreed to study this at no  
22 cost to Otay. Another study is under way at Helix as part of redesigning the  
23 replacement of their existing flume pipeline. The flume replacement offers  
24 Otay an opportunity to increase the deliveries from the Levy Treatment  
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1 Plant to as much as 16 MGD. The results of these two studies will be the  
2 information required for the District to decide on the least-cost alternative to  
3 deliver the additional 8 MGD. The County Water Authority has not agreed  
4 to pay for any of the Helix study at this time and if they pay nothing, Otay's  
5 portion would be \$50,000. Otay Staff participated in the consultant  
6 selection process for the Helix Flume Replacement Project and  
7 Montgomery Watson was selected. Helix will contract with Montgomery  
8 Watson for the total scope of work including Otay's portion. Helix agrees  
9 that a letter agreement for reimbursement would be sufficient for them to  
10 proceed with Otay's part of the work.  
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13 Director Watton stated the CWA will want to recover some of their  
14 costs but maybe something can be worked out with Helix. He would like to  
15 see the District pursue this.  
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17 Engineering Department Head Stanton stated because of the  
18 benefits to CWA and Helix, they should consider doing everything possible  
19 to get the 16 MGD.  
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21 A motion was made by Director Watton, seconded by Director  
22 Laudner, and unanimously carried, to authorize the General Manager to  
23 execute the letter agreement with Helix to reimburse Helix up to a maximum  
24 of \$50,000 for consultant fees paid on Otay's behalf as part of their Helix  
25 Flume Replacement Project.  
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27 11. Staff submitted an informational report on the depreciated value of  
28 replacement facilities in District agreements.  
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1 Director Laudner stated he did not agree that depreciation should be  
2 included and that Staff should challenge CalTrans on this.

3 Attorney Harron stated he would check to find out what SDG&E and Pacific  
4 Bell do in these instances.

5 The Board agreed to receive and file the report.

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7 12. Project Manager Young gave the Board a presentation on the  
8 Central Area and Otay Mesa Inter-Connection Project progress. He stated a  
9 progress report would be made to the Board each month.

10  
11 13. General Manager Lewinger reported that interviews were held for  
12 the Water Conservation Garden Coordinator. An offer was made and accepted  
13 by the successful candidate. While interviewing for this position, a perfect  
14 candidate was found for the Water Conservation Garden Administrator. He plans  
15 to talk to the Garden Board about bringing this candidate on part-time.  
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17 He reported that the CWA and MWD are still working on the availability  
18 charges and interest that the District is owed for Salt Creek Ranch.

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20 He also reported that the City of San Diego is working on the Lower Otay  
21 agreement. It appears that with a minor wording modification the agreement is  
22 acceptable to the City. The agreement currently refers to the District owning  
23 capacity in the reservoir and that will be changed to the City has an obligation to  
24 serve the District.  
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26 He reminded the Board that there is an employees' luncheon on Friday and  
27 that he will be out of town for the next Board meeting.  
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1           14.     Director Watton reported on the \$235 million appropriation from the  
2 budget approved by the legislature for the IID water transfer. He stated this was a  
3 real bipartisan effort and many people deserved credit for making this happen.

4           15.     Director Inocentes reported on his attendance at the Urban Water  
5 Institute. He stated he could not stay for the Institute's Board meeting but he  
6 understands that many directors support Maureen Stapleton's position regarding  
7 Wayne Clark's actions.  
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9           Director Price reported on her attendance at the County Water Authority  
10 Special meeting on financing water supplies. She attended the Water  
11 Conservation Garden meeting with developers where the Garden received more  
12 in-kind donations. She attended the CSDA administration seminar and the  
13 Strategic Planning Seminar. She thanked Tim Stanton and his staff for putting  
14 together such a comprehensive CIP book.  
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17           Director Laudner stated he attended the LAFCO meeting and he offered  
18 the District as host in the future. He also attended the Metro Commission meeting.  
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20           Director Poveda stated he also attended the Urban Water Institute  
21 Conference. He stated there was one interesting speaker who spoke about  
22 eradicating the Salt Cedar trees to save water. He also reported on the Personnel  
23 Committee meeting held yesterday. He stated he is recommending the Hiring and  
24 Promotion Policy be brought back to the full Board for further consideration.  
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26           16.     Director Poveda called for a recess at 3:03 p.m. The Board came  
27 out of recess and went into Closed Session to discuss existing and potential  
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1 litigation as well as a real property transaction. The meeting was reconvened in  
2 open session at 4:25 p.m.

3 17. Director Poveda stated the District will proceed with an appraisal of  
4 the property being considered for a radio antennae site to have a basis for a lease  
5 rate or sale price. This should be completed by October. The Board directed that  
6 Otay Staff will process the application with the City of Chula Vista for the  
7 Conditional Use Permit and that the City of Chula Vista will be the lead agency for  
8 the environmental documentation.  
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11 Director Poveda then appointed a special committee to be involved in the  
12 terms and development of the antennae site agreement.

13 Director Inocentes stated he would like to serve in the alternate position for  
14 the committee.  
15

16 Director Poveda stated the committee will consist of Directors Laudner and  
17 Poveda, with Director Inocentes as alternate. He stated he thinks its important to  
18 have Board involvement in this to bring information back to the entire Board.  
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20 18. With no further business to come before the Board, the meeting was  
21 adjourned at 4:30 p.m.  
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President

25 ATTEST:

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28 District Secretary  
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