

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

**June 28, 2023, 5:00 p.m.
Virtual via Zoom and at Sweetwater Authority Administration Building
505 Garrett Avenue
Chula Vista, CA 91910**

Directors Present: Josie Calderon-Scott, Steve Castaneda, *Manny Delgado (5:26 p.m) Hector Martinez, Paulina Martinez-Perez, Ron Morrison, and Ditas Yamane

Staff Present: General Manager Carlos Quintero, Legal Counsel Paula de Sousa, Board Secretary Ligia Hoffman, Director of Water Quality Justin Brazil, Director of Engineering and Operations Erick Del Bosque, Assistant Board Secretary Michael Garcia, Program Manager Dan Hayes, Environmental Project Manager Israel Marquez, Engineering Manager Paul Oberbauer, Principal Public Affairs Representative Gwen Shoecraft, Director of Finance Rich Stevenson, and Director of Administrative Services Dina Yorba

Others Present: Jairo Criollo of Noria Energy; Karen Henry; and Catalina Schultz

Pursuant to the Brown Act Government Code Section 54953, this meeting was held in person and via teleconference.

3. Opportunity for Public Comment

Karen Henry provided a letter to the Board and commented on the water rate structure.

4. Chair's Presentation

4.1 2023 WaterSmart Landscape Contest

Principal Public Affairs Representative Gwyneth Shoecraft provided a presentation and awarded Catalina Schultz the first place winner of the 2023 WaterSmart Landscape Contest.

4.2 Comments from Public Regarding Agency Staff

ACTION CALENDAR AGENDA

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 Items to be Added, Withdrawn, or Reordered on the Agenda

Legal Counsel de Sousa requested to add two items to Closed Session that were received after the publication of the agenda.

Motion by: Director Yamane

Seconded by: Director Martinez-Perez

that the Governing Board add two items to Closed Session as Item 18.4. Existing Litigation pursuant to Government Code section 54956.9 (d)(1): Amber Recklau v. Sweetwater Authority: 37-2023-00023586-CU-PT-CTL, and Recklau et al. v. Sweetwater Authority: 37-2023-00005870-CU-PO-CTL

Ayes (6): Director Calderon-Scott, Director Castaneda, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Absent (1): Director Delgado

Motion Carried (6 to 0)

6. Approval of Minutes

Motion by: Director Yamane

Seconded by: Director Martinez-Perez

that the Governing Board direct staff to verify Director Calderon-Scott's vote on alternatives D and E and make any correction if needed, and approve item 6.1 - Minutes of the Special Board meeting of June 13, 2023; and approve Item 6.2 - Minutes of the Regular Board meeting of June 14, 2023

Ayes (6): Director Calderon-Scott, Director Castaneda, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Absent (1): Director Delgado

Motion Carried (6 to 0)

6.1 Special Board Meeting of June 13, 2023

6.2 Regular Board Meeting of June 14, 2023

7. Consent Calendar Items

Director Castaneda recused himself from consideration of Agenda Item 7.1 due to his contract with Sempra Energy, parent company of SDG&E, which Director Castaneda disclosed on the record.

Motion by: Director Morrison

Seconded by: Director Martinez-Perez

that the Governing Board approve the consent calendar, with Director Castaneda's noted recusal on item 7.1

Ayes (6): Director Calderon-Scott, Director Castaneda, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Absent (1): Director Delgado

Motion Carried (6 to 0)

7.1 Approval of San Diego Gas & Electric Demands and Warrants – May 2023

7.2 Approval of Demands and Warrants (excludes the San Diego Gas & Electric Demands and Warrants) – May 2023

Action and Discussion Items

8. Old and Unfinished Business

8.1 Consideration to Approve the FY 2023-24 Budget; Adopt Resolution 23-13, Adopting the FY 2023-24 Budget; and Adopt Resolution 23-14, Approving Updated Financial Policies (Board Policy 517)

Director of Finance Rich Stevenson provided a presentation.

(Director Delgado entered the meeting at 5:26 p.m.)

Director Castaneda made a motion that the Governing Board select Option 3 of the Budget Adjustment. The motion failed for lack of a second.

Motion by: Director Castaneda

Seconded by: Director Martinez

that the Governing Board select the FY 2023-24 Option 2 Budget Adjustment, and Adopt Resolutions 23-13 Adopting the FY 2023-24 Budget; and Resolution 23-14, Approving Updated Financial Policies (Board Policy 517)

Ayes (4): Director Castaneda, Director Delgado, Director Martinez, and Director Yamane

Noes (3): Director Calderon-Scott, Director Martinez-Perez, and Director Morrison

Motion Carried (4 to 3)

8.2 Consideration to Approve the FY 2023-24 Strategic Plan Detailed Work Plan (Annual Work Plan)

Motion by: Director Yamane

Seconded by: Director Delgado

that the Governing Board approved the FY 2023-24 Strategic Plan Detailed Work Plan as presented.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried (7 to 0)

9. New Business

9.1 Consideration to Adopt Resolution 23-16, Adopting a Salary Schedule for All Employees Effective July 1, 2023

Motion by: Director Castaneda

Seconded by: Director Martinez-Perez

that the Governing Board adopt Resolution 23-16, Adopting a Salary Schedule for All Employees Effective July 1, 2023.

Ayes (6): Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Noes (1): Director Calderon-Scott

Motion Carried (6 to 1)

9.2 Consideration to Approve a Term Sheet with Noria Energy for a Floating Solar Project at Sweetwater Reservoir

Motion by: Director Martinez-Perez

Seconded by: Director Delgado

that the Governing Board approved the term sheet with Noria Energy, establishing the conditions to pursue a floating solar project at Sweetwater Reservoir

Ayes (5): Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, and Director Yamane

Noes (2): Director Calderon-Scott, and Director Morrison

Motion Carried (5 to 2)

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

Motion by: Director Castaneda

Seconded by: Director Yamane

that the Governing Board approve per diem for Directors for items 10.1, and 10.2 through 10.4.

Ayes (7): Director Calderon-Scott, Director Castaneda, Director Delgado, Director Martinez, Director Martinez-Perez, Director Morrison, and Director Yamane

Motion Carried (7 to 0)

- 10.1 Per diem approval for Directors who wish attend the ACWA Region 10 Program and Tour, Oceanside – June 29, 2023**
- 10.2 Council of Water Utilities Meeting, San Diego – “Solutions for Addressing the Tijuana-San Diego Ocean Pollution Crisis,” presented by Serge Dedina, Executive Director, Wildcoast – July 18, 2023**
- 10.3 Per diem approval for Directors who wish to attend the Lemon Festival, Chula Vista – August 12, 2023**
- 10.4 Per diem approval for Directors who wish to attend the Sacramento Legislative Outreach Trip – August 22, 2023**

REPORTS AND INFORMATIONAL ITEMS

- 11. Delayed Revenue Balance Dashboard**
- 12. Financial Reports - May 2023**
- 13. Quarterly Report on Communications Plan Metrics – Fourth Quarter FY 2023-24**
- 14. Report of Management**

General Manager Quintero announced the hiring of Roberto Yano as the new Assistant General Manager.
- 15. Report of Representatives to the San Diego County Water Authority**

Director Castaneda reported on a recent vote by the SDCWA Board to increase rates by 8 percent. After review by SDCWA staff and the Financial Sustainability Working Group, a 9.4 percent was subsequently approved; and shared his no vote for both the SDCWA Budget and water rate increase.

Director Yamane noted her absence at this particular meeting due to an emergency.
- 16. Reports by Directors on Events Attended**
 - 16.1 Santa Fe Irrigation District 100 Years of Service Celebration - June 21, 2023**

Directors Calderon-Scott, Castaneda, and Delgado provided a report.

16.2 South County Economic Development Council Binational Forum - June 28, 2023

Director Morrison provided a report.

17. Directors' Comments

Director Martinez-Perez commented on the new agenda management system.

Director Morrison commented on the Independence Day event happening in National City.

18. Closed Session

At 7:25 p.m. the Board convened in closed session for items 18.1, 18.3 and 18.4 as stated on the agenda. There was no need for closed session on Item 18.3.

There were no minutes taken, and the session was not audio-recorded. The Board came out of closed session at 8:09 p.m. and reconvened in open session. There was no reportable action taken by the Governing Board.

18.1 Conference with Labor Negotiator pursuant to Government Code Section 54957.6:

Agency Negotiators: General Manager Carlos Quintero, and Director of Administrative Services Dina Yorba

Employee Organizations: Sweetwater Authority Employees' Committee, Sweetwater Authority Middle Management Group, and Sweetwater Authority Confidential Group

18.2 Conference with Labor Negotiator pursuant to Government Code Section 54957.6:

Agency Negotiators: General Manager Carlos Quintero, and Director of Administrative Services Dina Yorba

Unrepresented Employees: Assistant General Manager, Director of Administrative Services, Director of Engineering and Operations, Director of Finance, and Director of Water Quality

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

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

18.4 Existing Litigation pursuant to Government Code section 54956.9 (d)(1):

Amber Recklau v. Sweetwater Authority: 37-2023-00023586-CU-PT-CTL, and Recklau et al. v. Sweetwater Authority: 37-2023-00005870-CU-PO-CTL

19. Adjournment

With no further business before the Board, Chair Martinez adjourned the meeting at 8:10 p.m.

Hector Martinez, Chair

Attest:

Ligia Hoffman, Board Secretary