

SWEETWATER AUTHORITY GOVERNING BOARD
MINUTES OF THE SPECIAL MEETING

August 8, 2023, 5:00 p.m.
Sweetwater Authority Administration Building
505 Garrett Avenue
Chula Vista, CA 91910

Directors Present: Josie Calderon-Scott, Steve Castaneda, Manny Delgado, Hector Martinez, Paulina Martinez-Perez, * Ron Morrison (5:05 p.m.), and * Ditas Yamane (5:03 p.m.)

Staff Present: General Manager Carlos Quintero, Assistant General Manager Roberto Yano, 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, and Director of Finance Rich Stevenson,

Others Present: Lutfi Kharuf of Best Best & Krieger; Jeremy Tamargo of NBS

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

1. Call Meeting to Order and Roll Call

Chair Martinez called the meeting to order at 5:00 p.m.

2. Pledge of Allegiance to the Flag

(Note: Director Yamane entered the meeting at 5:03 p.m.)

Action Calendar Agenda

3. Consideration of Recommended Single-Family Residential Tier Design and Fixed Charge Allocation Policy Direction for the Draft 2023 Water Rate Study

(Note: Director Morrison entered the meeting at 5:05 p.m.)

Karen Henry commented on the water rate study process and the General Manager's proposal.

The following members of the public yielded their time to Mike Sampsel: John Taylor, Sharmane Estolano, Harriet Taylor, and Donna Hodge.

Penni Neely encouraged a second-look at the water rate proposing, and that the proposal is fair and clear and benefits all ratepayers.

Michelle Harms commented on the Authority's purchasing of outside water, and allocating higher costs in a discriminatory manner when there is no water scarcity issue.

Mike Sampsel commented on passing a budget without a revenue stream; the flawed water rate methodology; past litigation initiated by SARPA against the Authority, and the City of San Diego existing litigation regarding water rates.

Jeremy Tamargo of NBS provided a presentation.

Motion by: Director Castaneda

Seconded by: Director Delgado

that the Governing Board direct staff to include the recommended water rate policy changes to be included in the final draft 2023 Water Rate Study:

- a. Water Rates will be calculated for the following three effective dates of January 1, 2024, January 1, 2025, and January 1, 2026 based on the FY 2023-24 Budget Financial Plan;
- b. Continue to use a Single-family Residential Tier Design with costs allocated to each tier based on the least expensive water source used to allocate costs to tier 1, up to the most expensive source used to allocate costs to tier 4; and
- c. Water Rates effective on January 1, 2025 will included a 3 percent additional allocation of Fixed Costs, and January 1, 2026 will include a second 3 percent additional allocation of Fixed Costs.

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)

4. Directors' Comments

Director Calderon-Scott requested a closed session regarding water rates.

Director Martinez-Perez thanked everyone for working together to complete what we think is best.

Director Martinez commented on moving this study forward towards industry standard.

5. Adjournment

With no further business before the Board, Chair Martinez adjourned he meeting at 6:58 p.m.

Hector Martinez, Chair

Attest:

Ligia Hoffman, Board Secretary