

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
OLIVENHAIN MUNICIPAL WATER DISTRICT

May 17, 2023

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, May 17, 2023, at the district office, 1966 Olivenhain Road, Encinitas, California.

President Guerin called the meeting to order at 4:00 p.m. Following the Pledge of Allegiance, the Assistant Secretary called the roll. Directors present were Guerin, Hahn, Meyers, San Antonio, and Watt.

President Guerin declared a quorum present and ordered the meeting to proceed. In attendance were Kimberly Thorner, General Manager; Alfred Smith, General Counsel; Joey Randall, Assistant General Manager; John Carnegie, Customer Services Manager; Jennifer Joslin, Human Resources Manager; Geoff Fulks, Operations Manager; Lindsey Stephenson, Engineering Manager; Steve Weddle, Engineering Services Supervisor; Leo Mendez, Accounting Supervisor; Jared Graffam, Financial Analyst II; Melody Colombo, Administrative Analyst; Teresa Chase, Administrative Analyst; Joe Jansen, Administrative Analyst; Stephanie Kaufmann, Executive Secretary; and Sudhir Pardiwala from Raftelis.

5. ADOPTION OF AGENDA

Director Watt moved to adopt the agenda, seconded by Director Hahn, and approved unanimously.

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no personal appearances or public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

Current Service Awards, Promotions, and Honorable Mentions

* Annual Fourth Grade Poster Contest Winners

Lillian Cook, El Camino Creek Elementary

Leo W., Olivenhain Pioneer Elementary

Talia Elizabeth Abordo, Stone Ranch Elementary

* Bryan Rickards – Systems Operator I – 5 Years – April

* Nicholas Boess – Field Services Technician I – New Hire – April

President Guerin and the board announced and congratulated the fourth grade poster contest winners.

Systems Operator I Rickards was congratulated on his years of service. Field Services Technician I Boess was welcomed by the board.

8. CONSIDER APPROVAL OF THE MINUTES OF THE APRIL 19, 2023, REGULAR BOARD OF DIRECTORS MEETING

Director Meyers moved to approve the minutes of the April 19, 2023, Regular Board of Directors meeting, seconded by Director San Antonio, and carried unanimously.

9. CONSENT CALENDAR

- C-a CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORT
- C-b CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S CONSOLIDATED STATEMENT OF NET POSITION, CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORT
- C-c CONSIDER A RESOLUTION HONORING VISTA IRRIGATION DISTRICT FOR A CENTURY OF SERVICE AND STEWARDSHIP
- C-d CONSIDER APPROVAL OF A GRANT OF ACCESS ROAD EASEMENT TO SAN DIEGO GAS & ELECTRIC OVER OMWD'S GATY II PROPERTY AND CHLORINATION BUILDING SITE AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD
- C-e CONSIDER ACCEPTANCE OF THE AVENIDA APICE WATER SERVICE REESTABLISHMENT (TAYLOR MORRISON) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED
- C-f CONSIDER FINAL UPDATE OF THE 4S WATER RECLAMATION FACILITY WIRING AND CHEMICAL FEED EMERGENCY REPLACEMENT PROJECTS, ACCEPT INTO THE DISTRICT'S SYSTEM AND ORDER THE NOTICES OF COMPLETION FILED
- C-g PROVIDE SANITARY SEWER SYSTEMS WASTEWATER DISCHARGE REQUIREMENTS (WDR) UPDATE TO THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT

Director Watt moved to approve the Consent Calendar, seconded by Director Meyers, and carried unanimously.

10. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 3 – Organization of Staff and Article 4 – Classified Positions)

Upon motion by Director Watt and a second by President Guerin, Ordinance 508 was adopted by the following roll call vote:

AYES: Directors Guerin, Hahn, Meyers, San Antonio, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

11. REVIEW THE CURRENT EMAIL RETENTION POLICY AND PRESENT FINDINGS FROM THE SURVEY OF OTHER LOCAL PUBLIC AGENCIES

Human Resources Manager Joslin presented the report.

After discussion to extend the email retention period to one year, there was board consensus to keep the email retention at 180 days at this time.

12. CONSIDER APPROVAL OF CHANGE ORDER NO. 3 AND CHANGE ORDER NO. 4 WITH ORION CONSTRUCTION CORPORATION FOR A COMBINED TOTAL OF \$223,344 FOR THE 4S RANCH NEIGHBORHOOD 1 SEWER PUMP STATION REPLACEMENT PROJECT, AND INCREASE THE OVERALL PROJECT BUDGET BY \$400,000, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD

Engineering Services Supervisor Weddle presented the report.

Director Watt moved to approve contract change orders No. 3 and No. 4 for the Neighborhood 1 Sewer Pump Station Replacement Project with Orion Construction Corporation in the amount of \$223,344, add 99 additional days of contract time, increase the overall Project budget by \$400,000 coinciding with the FY 24 budget, and authorize the General Manager to sign on behalf of Olivenhain Municipal Water District, seconded by Director San Antonio, and approved unanimously.

13. CONSIDER ADOPTION OF A RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR

Finance Manager Selamat presented the report.

Director Watt moved to group agenda Items 13, 14, and 15 together and adopt Resolution No. 2023-08, Resolution No. 2023-09, and Resolution No. 2023-10, seconded by Director San Antonio, and approved unanimously.

14. CONSIDER ADOPTION OF A RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES WITHIN THE RANCHO CIELO SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR

15. CONSIDER ADOPTION OF A RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES FOR THE SANTA LUZ AFFORDABLE HOUSING AREA AND BLACK MOUNTAIN RANCH EAST CLUSTERS PROJECT WITHIN THE 4S RANCH SANITATION DISTRICT COLLECTED ON THE COUNTY TAX ROLLS FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESSOR
16. REVIEW AND DISCUSS STAFF'S PROPOSED CHANGES TO THE GENERAL MANAGER'S RECOMMENDED BIENNIAL OPERATING AND CAPITAL BUDGET FISCAL YEARS 2023 AND 2024 AT MIDTERM (DRAFT)

Finance Manager Selamat presented the proposed changes to the budget. This item will be presented for a vote at the June 21 board meeting.

17. CONSIDER STATUS UPDATE ON THE PROPOSED FALLBROOK PUBLIC UTILITIES DISTRICT AND RAINBOW MUNICIPAL WATER DISTRICT DETACHMENT FROM THE SAN DIEGO COUNTY WATER AUTHORITY AND CONSIDER COMMENTS TO BE SUBMITTED FOR THE JUNE 5, 2023 SAN DIEGO LOCAL AGENCY FORMATION COMMISSION MEETING

General Manager Thorner presented the report.

Director Watt moved to accept staff's recommendation of Option Three, however, if the SDLAFCO commissioners do not ultimately support Option Three at the June 5 hearing, OMWD's default position would be Option Four, which would be to disapprove the proposals without prejudice, seconded by Director Hahn, and approved unanimously.

18. CONSIDER A RESOLUTION NOMINATING A CANDIDATE AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES REGION 10 BOARD OF DIRECTORS

The board chose not to nominate anyone at this time.

19. DISCUSS RESULTS OF 2022 WATER CAPACITY FEES STUDY WITH RAFTELIS FINANCIAL CONSULTANTS AND CONSIDER AN OPTION FOR 2023 WATER CAPACITY FEES (WORKSHOP)

Consultant Sudhir Pardiwala from Raftelis Financial Consultants presented the report.

General Counsel Smith opined that Option Two, which proposed uniform capacity fees, was not his preferred option from a legal perspective.

Director Watt moved to approve Option Three to increase OMWD's water capacity fees by zone of benefit with a 5-year phase-in program plus ENR-CCI adjustment, seconded by Director Meyers, and approved unanimously.

20. CONSIDER A RESOLUTION CONSENTING TO ENTER THE JOINT PROTECTION PROGRAMS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

Administrative Analyst Chase presented the item.

Director Watt moved to adopt Resolution 2023-11, seconded by Director Meyers, and approved with President Guerin voting no.

NOTE: The meeting was in recess
from 6:56 p.m. to 7:10 p.m.

21. INFORMATIONAL REPORTS

A. President's Report

President Guerin provided a report on the ACWA Conference.

B. General Manager's Report

General Manager Thorner's report was included in the board packet.

C. Consulting Engineer's Report

Consulting Engineer MacFarlane's report was sent to the board.

D. General Counsel's Report

General Counsel Smith provided a written report that was included in the board packet.

E. San Diego County Water Authority (SDCWA) Report

SDCWA representative Meyers provided an update on the proposed wholesale untreated water rates. There was board consensus to send a comment letter to SDCWA objecting the proposed 13% increase to the wholesale cost of untreated water rate.

F. Legislative Report

The Legislative Report was included in the board packet.

G. Twelve Month Calendar/Other Meetings/Reports by Board Members Per AB 1234

Conference Call with the General Manager (April 20)

Director Watt had a call with the General Manager.

Creek to Bay Clean-Up (April 22)

Directors Hahn and Meyers attended the clean-up.

Document Signing and Board Meeting Debrief (April 26)

President Guerin met with the General Manager and signed documents.

Encinitas State of the City (April 27)

Directors Meyers and Watt attended the event.

Conference Call with the General Manager RE: Detachment & CWA (May 4)

Director Meyers had a call with the General Manager.

Debrief with the General Manager RE: Council Member Ehlers Mtg. (May 5)

Director Watt met with Council Member Ehlers.

EFRR Volunteer Appreciation BBQ (May 6)

Directors Hahn and Meyers attended the event.

Finance Committee Meeting (May 8)

Directors Meyers and Watt attended the committee meeting.

ACWA JPIA Meeting (May 8-9)

Director San Antonio attended the ACWA JPIA Meeting.

ACWA Spring Conference (May 9-11)

Director Guerin attended the conference.

APWA Awards Ceremony (May 11)

Director Watt attended the event.

Conference Call with the General Manager (May 16)

Director Watt had a conference call with the General Manager.

Meeting with the General Manager RE: CWA Budget (May 16)

Director Meyers met with the General Manager.

Meeting with the General Manager RE: Board Meeting Briefing (May 16)

President Guerin met with the General Manager.

H. Board Comments

There were no board comments.

22. CORRESPONDENCE

Correspondence was provided in the board packet.

23. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

There were no meetings requiring authorization to attend.

24. FUTURE AGENDA ITEMS

There were no future agenda items added.

25. CONSIDER PUBLIC COMMENTS

There were no additional public comments.

NOTE: The meeting was in Closed Session
from 7:51 p.m. to 8:04 p.m.

26. CLOSED SESSION

- A) CONSIDER LITIGATION – HILLSIDE PATIO HOMES HOA [PURSUANT TO GOVERNMENT CODE SECTION 54956.9] • Additional Facts: Claim received on August 17, 2020. Claim rejected on September 9, 2020.
- B) CONSIDER GENERAL COUNSEL REVIEW [PURSUANT TO GOVERNMENT CODE SECTION 54957] • Additional Facts: Preliminary input provided on May 17, 2023; full review to be held on June 21, 2023.

- C) IF NECESSARY: POTENTIAL LITIGATION – ON THE FALLBROOK PUBLIC UTILITY DISTRICT AND RAINBOW MUNICIPAL WATER DISTRICT DETACHMENT [PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4)]

27. OPEN SESSION

There was no reportable action from Closed Session.

28. ADJOURNMENT

President Guerin adjourned the meeting at 8:04 p.m.

Christy Guerin, President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

Lawrence A. Watt, Secretary
Board of Directors
Olivenhain Municipal Water District