

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

JUNE 16, 2021

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, June 16, 2021 at the district office, 1966 Olivenhain Road, Encinitas, California via video conference.

President Watt called the meeting to order at 4:04 p.m. Following the Pledge of Allegiance, the Assistant Secretary called the roll. Directors present were Bruce-Lane, Guerin, Meyers, Topolovac, and Watt. It was noted that the meeting was published via teleconference in accordance with Governor Newsom's Executive Order, which allows for local or state legislative bodies to hold meetings via teleconference, to make meetings accessible electronically, and waives certain Brown Act provisions as stated in Item 11 of the Executive Order.

President Watt 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; Rainy Selamat, Finance Manager; Jason Hubbard, Engineering Manager; John Carnegie, Customer Services Manager; Geoff Fulks, Operations Manager; Jennifer Joslin, Human Resources Manager; Don MacFarlane, Consulting Engineer; Steve Weddle, Engineering Services Supervisor; Brian Sodeman, Customer Service and Public Affairs Supervisor; Dan Bean, Construction Supervisor; John Onkka, Water Reclamation Facilities Supervisor; Arman Tarzi, Administrative Analyst; Jared Graffam, Financial Analyst II; and Stephanie Kaufmann, Executive Secretary. Brian Peck from CWEA and Baron Willis from SDLAFCO were also in attendance.

Additionally, the following phone number called into the meeting: (858) 985-00752.

5. ADOPTION OF AGENDA

Director Guerin moved to adopt the agenda, seconded by Director Bruce-Lane and approved by the following roll call vote:

AYES:	Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES:	None
ABSTAIN:	None
ABSENT:	None

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

Baron Willis from San Diego LAFCO addressed the board.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

Service Awards and Promotions from 2020

- * Jymy Briseno – Water Reclamation Operator II – Promotion – June 2020
- * Warren Wilson – Utility I – New Hire – June 2020
- * Jaime Tovar – Utility II - Rehire – June 2020 and Utility III – GYO Promotion – October 2020

Current Service Awards, Promotions and Honorable Mentions

- * 28th Annual Fourth Grade Poster Contest
 - 1st Place: Norah Shin, Stone Ranch Elementary
 - 2nd Place: Rishika Varma, Stone Ranch Elementary
 - 3rd Place: Aila Ocampo, Stone Ranch Elementary
- * California Water Environment Association’s State 2020 Plant of the Year Award - 4S Ranch Water Reclamation Facility
- * John McCaw – Inspector I – GYO Promotion – May 2021
- * Special District Leadership Academy Certificate – Director Bruce-Lane

The employees were congratulated on their years of service, promotions, and transfers. New employees were welcomed by the board. Administrative Analyst Tarzi presented the awards to the winners.

8. CONSIDER APPROVAL OF THE MINUTES OF THE MAY 19, 2021 REGULAR BOARD OF DIRECTORS MEETING

Director Topolovac moved to approve the minutes of the May 19, 2021 Regular Board of Directors meeting minutes, seconded by Director Guerin and approved by the following roll call vote:

AYES:	Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES:	None
ABSTAIN:	None
ABSENT:	None

9. CONSENT CALENDAR

- 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 ADOPTION OF A RESOLUTION ESTABLISHING THE APPROPRIATION LIMIT AND AUTHORIZING THE APPLICATION OF PROCEEDS OF TAXES FOR FISCAL YEAR 2021-2022

C-d CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 411 FOR 7822 ESTANCIA STREET (ELLIOTT FAMILY TRUST DTD 8-25-2006) AND ORDER THE PERMIT BE RECORDED

C-f CONSIDER APPROVAL OF A SECOND AMENDMENT TO THE LEASE AGREEMENT BETWEEN CELLCO PARTNERSHIP (DBA VERIZON WIRELESS) AND OLIVENHAIN MUNICIPAL WATER DISTRICT FOR COMMUNICATIONS FACILITIES AT THE MARYLOYD RESERVOIR SITE AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

C-g CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 410 FOR 16969 DOVE CANYON ROAD (4S RANCH & LAND DOVE CANYON SERIES, A SEPARATE AND DISTINCT SERIES OF 4S RANCH & LAND, LLC) AND ORDER THE PERMIT BE RECORDED

Director Bruce-Lane requested to pull item C-a from the Consent Calendar for further discussion.

Director Meyers requested to pull item C-e from the Consent Calendar for further discussion.

Director Topolovac moved to authorize the Consent Calendar items with the exception of items C-a and C-e, seconded by President Watt and approved by the following roll call vote:

AYES:	Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES:	None
ABSTAIN:	None
ABSENT:	None

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

Director Bruce-Lane inquired about warrant list item 028449 from BKM Officeworks. Engineering Manager Hubbard responded that this line item was for staff office and cubicle furniture.

Director Bruce-Lane moved to approve item C-a, seconded by Director Meyers and approved by the following roll call vote:

AYES:	Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES:	None
ABSTAIN:	None
ABSENT:	None

C-e CONSIDER APPROVAL OF DISTRICT INSURANCE POLICIES FOR FISCAL YEAR 2022 WITH ALLIED WORLD IN AN AMOUNT NOT TO EXCEED \$310,871 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Meyers asked for staff to bring the insurance item two months prior to the policy expiration date in future years. He also requested to solicit bids from a risk sharing pool next year. General Manager Thorner indicated that the Safety Committee will review the risk sharing pools prior to next year’s renewal.

Director Meyers moved to authorize the Consent Calendar item C-e, seconded by Director Topolovac and approved by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

Items 10, 11, and 12 were heard together.

10. 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, 2021 TO JUNE 30, 2022 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSSESOR

President Watt moved to adopt Resolution 2021-11, seconded by Director Guerin and approved by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

11. 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, 2021 TO JUNE 30, 2022 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSSESOR

President Watt moved to adopt Resolution 2021-12, seconded by Director Guerin and approved by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

12. 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, 2021 TO JUNE 30, 2022 AND TO CERTIFY SAID FEES WITH THE SAN DIEGO COUNTY ASSESOR

President Watt moved to adopt Resolution 2021-13, seconded by Director Guerin and approved by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

13. CONSIDER APPROVAL OF OLIVENHAIN MUNICIPAL WATER DISTRICT’S FISCAL YEARS 2021 AND 2022 BUDGET UPDATE AND MID-TERM BUDGET ADJUSTMENTS

Finance Manager Selamat and Financial Analyst II Graffam presented the report.

Director Guerin moved to approve the Fiscal Years 2021 and 2022 proposed mid-term budget adjustments for fiscal year 2022 that includes an additional savings of \$629,100 in operating and a reduction of \$476,000 in capital expenditures, seconded by Director Meyers and carried by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

14. CONSIDER SETTING A TIME AND PLACE FOR A PUBLIC HEARING TO CONSIDER THE OLIVENHAIN MUNICIPAL WATER DISTRICT’S WATER CAPACITY FEES FOR 2021 (July 14, 2021 – 5:30 P.M.)

President Watt moved to set the time and place for a public hearing to consider potable water capacity fees for 2021 for July 14, 2021 at 5:30 p.m., seconded by Director Guerin and approved by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

15. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 2 – Organization of Board of Directors) AND CONSENSUS ON DIRECTOR TOPOLOVAC'S REQUEST TO SERVE AS SECRETARY

Upon motion by Director Topolovac and a second by President Watt, Ordinance 488 was adopted by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

16. CONSIDER A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT ADOPTING ITS 2020 URBAN WATER MANAGEMENT PLAN, WATER SHORTAGE CONTINGENCY PLAN, AND ADDENDUM NUMBER 1 TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT URBAN WATER MANAGEMENT PLAN

Director Guerin moved to adopt Resolution 2021-15, seconded by Director Topolovac and approved by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

17. CONSIDER ADOPTION OF AN ORDINANCE OF OLIVENHAIN MUNICIPAL WATER DISTRICT'S BOARD OF DIRECTORS REGARDING ADOPTING A WATER SHORTAGE CONTINGENCY PLAN

Upon motion by Director Meyers and a second by Director Bruce-Lane, Ordinance 489 was adopted by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

18. CONSIDER VOTE FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION ALTERNATE SPECIAL DISTRICT MEMBER POSITION

President Watt moved to submit OMWD's SDLAFCO Special Districts Election Ballot and Vote Certification Form in support of David A. Drake, seconded by Director Guerin and carried by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

19. 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 Guerin and a second by President Watt, Ordinance 490 was adopted by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

20. REVIEW GENERAL MANAGER'S DECLARATION OF THE STRATFORD HOME OWNERS ASSOCIATION (HOA) PIPELINE REPAIR AND PAVING RESTORATION PROJECT AS AN EMERGENCY PROJECT IN ACCORDANCE WITH CALIFORNIA PUBLIC CONTRACT CODE SECTION 1102, INCLUDING APPROVAL OF A TIME AND MATERIAL CONSTRUCTION CONTRACT WITH PIPERIN CORPORATION FOR AN AMOUNT NOT TO EXCEED \$108,675, APPROPRIATE \$213,050 TO THE STRATFORD BUDGET FROM THE PIPELINE REPLACEMENT PROJECT BUDGET, AND AUTHORIZATION OF THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT, AND CONSIDER ADOPTION OF A RESOLUTION MAKING CEQA FINDINGS AND ORDERING THAT A NOTICE OF EXEMPTION BE FILED WITH THE COUNTY CLERK, COUNTY OF SAN DIEGO

Director Topolovac requested that when referring to the Stratford HOA Pipeline Repair and Paving Restoration budget to include the words "leak project" to make it clear that it is a district project and not paid for by the Stratford HOA. The board concurred.

Director Topolovac moved to approve a time and materials construction contract with Piperin Corporation for an amount not to exceed \$108,675 for the pipeline repairs and paving restoration, appropriate \$213,050 to the Stratford HOA project from the Pipeline Replacement project budget, approve Resolution 2021-16 making CEQA findings, and authorize the General Manager to sign on behalf of the district, seconded by Director Meyers and carried by the following roll call vote:

AYES: Directors Bruce-Lane, Guerin, Meyers, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: None

21. CONSIDER UPDATE ON THE COVID-19 EMERGENCY DECLARATION

General Manager Thorner presented the informational report. No board action was required.

22. INFORMATIONAL REPORTS

A. President's Report

President Watt will report on his item in closed session.

B. General Manager's Report

General Manager Thorner reported that there is a nation-wide chlorine gas shortage but OMWD is not immediately affected at this time.

Director Bruce-Lane noted that although the New and Remodeled Administrative Facilities Project's Notice of Completion was filed, the landscaping and other items still need to be completed. She also indicated that there is outstanding sewer debt that will be paid off in 2028. She also noted that she is very supportive of employee health and safety.

C. Consulting Engineer's Report

Consulting Engineer MacFarlane's written report was distributed 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 Report

General Manager Thorner reported that there were three budget workshops that went over the budget in fine detail. SDCWA is proposing a 3.3% increase in their raw water costs that would result in a 5.6% average increase to the member agencies. She also noted that SDCWA still has an interest in storage in Lake Mead but needs a partner and/or federal legislation to do so. With board support, SDCWA plans to increase outreach and messaging to pursue storage.

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

CSDA Quarterly Meeting - Virtual (May 20)

Director Bruce-Lane attended the meeting.

Paperwork and Computer Training (May 20)

Director Meyers attended the training.

OMWD Board Meeting Debrief (May 20)

President Watt participated in the briefing.

OMWD Business (May 21)

President Watt met with the General Manager.

Call with the General Manager - OMWD Issues (May 24)

Director Bruce-Lane had a call with the General Manager.

Finance Committee Meeting (May 25)

Directors Guerin and Watt attended the committee meeting.

SDLA Module 4 - Part 1 (May 26)

Director Bruce-Lane completed the module.

Women in Water Virtual Luncheon (May 26)

Directors Bruce-Lane and Guerin attended the luncheon.

SDLA Module 4 - Part 2 (May 27)

Director Bruce-Lane completed the module.

Conference Call with the General Manager - OMWD Issues (May 28)

President Watt had a call with the General Manager.

Board Meeting Debrief (May 28)

Director Guerin had a call with the General Manager.

Call with the General Manager - OMWD Issues (June 1)

President Watt had a call with the General Manager.

Engineering Briefing (June 3)

Director Meyers attended the briefing.

Meeting the General Manager (June 3)

President Watt met with the General Manager.

Leak Review (June 4)

Director Topolovac had a call with the General Manager.

EFRR Briefing (June 8)

Director Meyers attended the briefing.

Finance Briefing (June 10)

Director Meyers attended the briefing.

Meeting with City of Encinitas (June 15)

President Watt attended the meeting with the General Manager.

COWU Virtual Meeting (June 15)

Director Bruce-Lane attended the meeting.

Customer Services Briefing (June 15)

Director Meyers attended the briefing.

23. **CORRESPONDENCE**

Correspondence was provided in the board packet.

24. **AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

There were no meetings requiring authorization to attend.

25. FUTURE AGENDA ITEMS

No future agenda items were requested.

26. CONSIDER PUBLIC COMMENTS

There were no public comments.

NOTE: The meeting was in recess
from 6:24 p.m. to 6:40 p.m.

NOTE: The meeting was in closed session
from 6:40 p.m. to 7:01 p.m.

27. CLOSED SESSION

- A) CONSIDER CLAIM – 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 LITIGATION – LYNXT ENTERPRISES, LLC VS. PARS SORRENTO VALLEY SCIENCE PARK 1, LP [PURSUANT TO GOVERNMENT CODE SECTION 54956.9] • Additional Facts: OMWD was served a complaint as a nominal defendant.
- C) CONSIDER POTENTIAL LITIGATION – ONE CASE [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]
- D) CONSIDER POTENTIAL LITIGATION – ONE CASE [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]
- E) CONSIDER LITIGATION – OLIVENHAIN MUNICIPAL WATER DISTRICT VS. GEOMAT TESTING LABORATORIES, INC., ET AL. [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]
- F) CONSIDER GENERAL COUNSEL REVIEW [PURSUANT TO GOVERNMENT CODE SECTION 54957] • Additional Facts: Preliminary input provided on May 19, 2021; full review to be held on June 16, 2021.

28. OPEN SESSION

After discussion by the board, Director Guerin moved to approve a rate increase to the General Counsel’s contract in the amount of 5% effective July 1, 2021, seconded by Director Topolovac and approved by the following roll call vote:

AYES:	Directors Bruce-Lane, Guerin, Meyers Topolovac, and Watt
NOES:	None
ABSTAIN:	None
ABSENT:	None

There was no other reportable action from closed session.

29. ADJOURNMENT

President Watt adjourned the meeting at 7:23 p.m.

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

ATTEST:

Robert F. Topolovac, Secretary
Board of Directors
Olivenhain Municipal Water District