

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

July 19, 2023

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, July 19, 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; Teresa Chase, Administrative Analyst; Joe Jansen, Administrative Analyst; Stephanie Kaufmann, Executive Secretary; Robert Kreutzer, Department Assistant; George Mileon, Senior Systems Administrator; and Consultant 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

* Illuminato Mogavero – Utility I – New Hire

* Lori Ayres – Customer Service Representative I – New Hire

The employees were welcomed by the board.

8. CONSIDER APPROVAL OF THE MINUTES OF THE JUNE 21, 2023, REGULAR BOARD OF DIRECTORS

Director Meyers moved to approve the minutes of the June 21, 2023, Regular Board of Directors Meeting, seconded by President Guerin, and approved 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 APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 423 FOR SAN DIEGUITO UNION HIGH SCHOOL DISTRICT TO INSTALL CONDUIT FOR PHOTOVOLTAIC SOLAR SYSTEM THROUGH OMWD EASEMENT 668 LOCATED AT 2150 VILLAGE PARK WAY AND ORDER THE PERMIT BE RECORDED
- C-d CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 424 FOR NICOLAS BIANCAMANO TO CONSTRUCT A FENCE LINE WITH GATED ACCESS THROUGH OMWD EASEMENTS 531 AND 769 LOCATED AT 16510 FRANZEN FARMS ROAD AND ORDER THE PERMIT BE RECORDED

Director Meyers moved to pull item C -e from the consent calendar.

Director Watt moved to approve the Consent Calendar C-a-C-d, seconded by Director San Antonio, and approved unanimously.

- C-e CONSIDER PARTICIPATION ON ASSOCIATION OF CALIFORNIA WATER AGENCIES COMMITTEES FOR THE 2024-2025 TERM

Director Watt moved to nominate Director Meyers to the ACWA Legal Affairs Committee, seconded by President Guerin, and approved unanimously.

- 10. CONSIDER DETERMINATION OF APPARENT LOW BIDDER AS NONRESPONSIVE, AWARD A CONTRACT WITH EXARO TECHNOLOGIES CORPORATION IN THE AMOUNT OF \$348,480 FOR THE LUSARDI PHASE III CATHODIC PROTECTION REPLACEMENT PROJECT, APPROPRIATE AN ADDITIONAL \$80,000 TO THE PROJECT BUDGET, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD

Engineering Services Supervisor Weddle presented the report.

After discussion, Director Meyers moved to determine that the Farwest Corrosion Control Company, the apparent low bidder, was nonresponsive, to award a contract with Exaro Technologies Corporation in the amount of \$348,480 for the Lusardi Phase III Cathodic Protection Replacement Project, to appropriate an additional \$80,000 from the Capital Reserve Fund to the project budget, and authorize the General Manager to sign on behalf of

Olivenhain Municipal Water District, seconded by Director San Antonio, and approved unanimously.

11. CONSIDER INFORMATIONAL REPORT ON WATER SUPPLY CONDITIONS AND LONG-TERM WATER USE EFFICIENCY LEGISLATION

Administrative Analyst Jansen presented the informational report.

12. CONSIDER 2023 ANNUAL OBJECTIVES AND TIGER TEAM STATUS REPORT

Administrative Analyst Chase presented the informational report.

13. INFORMATIONAL REPORTS

A. President's Report

President Guerin reported briefly on the Doheny Ocean Desalination Project.

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 included in the board packet.

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 updates on the budget, detachment, third party transfer agreements, a scheduled workshop, rate increases, and the General Manager recruitment.

F. Legislative Report

The Legislative Report was included in the board packet.

General Manager Thorner discussed AB 399 and changing OMWD's position to request amendments.

Director Meyers wanted to be on the record as needing more time to review AB 399 and that he could not be supportive at this time.

Directors Guerin, Hahn, San Antonio, and Watt were supportive of sending a request for amendment letter to Assemblymember Boerner.

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

Completed Anti-Harassment Training (July 4)

Director Meyers completed the training.

Conference Call with the General Manager RE: LAFCO (July 5)

President Guerin had a conference call with the General Manager.

Meeting with the General Manager RE: Detachment and SDCWA (July 9)

Director Meyers met with the General Manager.

Conference Call with the General Manager RE: Detachment (July 12)

President Guerin had a conference call with the General Manager.

Meeting with the General Manager RE: Detachment and SDCWA Special Board Meeting (July 10)

Director Meyers met with the General Manager.

COWU Luncheon (July 18)

Director Watt attended the COWU meeting.

Board Meeting Pre-Briefing (July 18)

Director Watt had a meeting with the General Manager.

Board Meeting Pre-Briefing (July 18)

President Guerin had a meeting with the General Manager.

H. Board Comments

There were no board comments.

NOTE: The meeting was in Recess
from 5:08 p.m. to 5:19 p.m.

NOTE: The meeting was in Closed Session
from 5:19 p.m. to 5:30 p.m.

14. 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.

15. OPEN SESSION

There was no report out from Closed Session.

16. PUBLIC HEARING TO CONSIDER THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S WATER CAPACITY FEES FOR 2023 (July 19 – 5:30 P.M.)

President Guerin announced that this was the time and place for a Public Hearing to consider the Olivenhain Municipal Water District's water capacity fees for 2023.

General Manager Thorner stated that the district evaluates capacity fees on an annual basis to determine if appropriate funds are being collected to fund necessary capital expansion, replacement, and betterment projects. A Water Capacity Fee Study completed by Raftelis in 2023 is the basis for calculating the proposed changes to the district's water capacity fees. The reason for these proposed changes is to adjust the district's water capacity fees to reflect the value on the district's assets based on the total system capacity and the revised estimate of pipeline replacement costs. The proposed changes include a 5-year phase-in with an Engineering News Record (ENR) – Construction Cost Index (CCI) Adjustment in years 2,3,4, and 5. Revenue generated from water capacity fees will be issued to repay debt issued to finance water infrastructure based on total system capacity, and to provide the funds for planned water replacement and improvement projects.

There were not any members of the public in attendance who wished to speak, and there were no comments received from the public.

President Guerin announced that the Public Hearing was closed and reconvened the meeting of the Board of Directors.

17. CORRESPONDENCE

Correspondence was provided in the board packet.

18. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

There were no meetings requiring authorization to attend.

19. FUTURE AGENDA ITEMS

There were no future agenda items added.

20. CONSIDER PUBLIC COMMENTS

There were no additional public comments.

21. ADJOURNMENT

President Guerin adjourned the meeting at 5:35 p.m.

Christy Guerin, President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

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