

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

SEPTEMBER 18, 2019

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, September 18, 2019 at the District office, 1966 Olivenhain Road, Encinitas, California.

Vice President Topolovac 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, Kephart, Topolovac, and Watt. It was noted that President Sprague was absent.

Vice President Topolovac declared a quorum present and ordered the meeting to proceed. In attendance were Kimberly Thorner, General Manager; Alfred Smith, General Counsel; Joseph Randall, Assistant General Manager; Rainy Selamat, Finance Manager; Jason Hubbard, Engineering Manager; Dave Smith, Operations Manager; Tom Wood, Human Resources Manager; John Carnegie, Customer Services Manager; and Stephanie Kaufmann, Executive Secretary.

Also in attendance were San Diego County Water Authority Staff Kelly Gage and Teresa Penunuri; Suez consultant Shailer Nichols; District Customer Volker Hoehne; District employees Brian Sodeman – Customer Service and Public Affairs Supervisor; Karen Ogawa – Engineering Project Coordinator; Cindy Pecile – Engineering & Right of Way Coordinator; Jared Graffam – Financial Analyst; and Shawn Patterson – Administrative Assistant.

5. ADOPTION OF AGENDA

Director Kephart moved to adopt the agenda, seconded by Director Guerin and carried unanimously with President Sprague absent.

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no personal appearances or public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

* Presentation from Suez for 20 Years of Service with the District

The board received the presentation and plaque from Shailer Nicholas from Suez to commemorate Suez's 20 years of service with the district.

8. CONSIDER APPROVAL OF THE MINUTES OF THE AUGUST 21, 2019 REGULAR BOARD OF DIRECTORS MEETING

Director Kephart moved to approve the August 21, 2019 meeting minutes, seconded by Director Watt and carried unanimously with President Sprague absent.

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; AND REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS

C-b CONSIDER VOTING FOR THE ASSOCIATION OF CALIFORNIA WATER AGENCIES REGION 10 BOARD OF DIRECTORS

C-c CONSIDER ACCEPTANCE OF THE VAULT UPGRADES PROJECT (RHINO LININGS OF SAN DIEGO) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-d CONSIDER ACCEPTANCE OF THE MAIN EXTENSION 153A RECYCLED WATER PIPELINE PROJECT (RIVERSIDE DIRECTIONAL DRILLING) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-e CONSIDER ACCEPTANCE OF THE 16510 ARTESIAN HILLS COURT FIRE DETECTOR CHECK AND WATER SERVICE INSTALL PROJECT (BRUCON CONSTRUCTION, INC.) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-f CONSIDER ACCEPTANCE OF THE HERITAGE BLUFFS PROJECT (SPIC DEL SUR, LLC) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-g CONSIDER ACCEPTANCE OF THE 4S RANCH WATER RECLAMATION FACILITY CAUSTIC TANK REPLACEMENT PROJECT (J.R. FILANC CONSTRUCTION COMPANY, INC.) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-h CONSIDER ACCEPTANCE OF THE 3800 CANYON DE ORO ROAD WATER SERVICE INSTALL PROJECT (HUGHES) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-i CONSIDER ADOPTION OF A RESOLUTION MAKING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS FOR THE MORNING SUN PRESSURE REDUCING STATION ABANDONMENT PROJECT AND ORDER A NOTICE OF EXEMPTION BE FILED WITH THE COUNTY CLERK, COUNTY OF SAN DIEGO

Director Watt moved to authorize the Consent Calendar items, seconded by Director Kephart and carried unanimously with President Sprague absent.

10. CONSIDER A PRESENTATION FROM THE SAN DIEGO COUNTY WATER AUTHORITY CELEBRATING 75 YEARS OF SERVICE

San Diego County Water Authority staff members Kelly Gage and Teresa Penunuri presented the informational report. The board thanked them for their presentation.

11. CONSIDER APPROVAL OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S CAPACITY FEES AND ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 13 – Policy for District Facilities)

Upon motion by Director Watt and a second by Director Guerin, Ordinance 466 was adopted by the following roll call vote:

AYES: Directors Guerin, Kephart, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: Sprague

12. CONSIDER SETTING A TIME AND PLACE FOR A PUBLIC HEARING TO CONSIDER ADOPTING INCREASES IN THE RATES FOR OLIVENHAIN MUNICIPAL WATER DISTRICT SERVICE FEES EFFECTIVE WITH WATER CONSUMPTION BEGINNING ON MARCH 1, 2020 AND AN ORDINANCE AUTHORIZING THE DISTRICT TO PASS THROUGH INCREASED COSTS IN PURCHASED WHOLESAL WATER, INCREASES TO SAN DIEGO COUNTY WATER AUTHORITY INFRASTRUCTURE ACCESS CHARGE, INCREASES TO THE DISTRICT'S COST OF OPERATIONS AND MAINTENANCE AND CAPITAL FACILITIES, AND ANY NEW FEES IMPOSED ON THE DISTRICT BY THE STATE OF CALIFORNIA (Public Hearing scheduled for November 13, 2019 – 5:30 p.m.)

Director Kephart moved to set a Public Hearing for Wednesday, November 13, 2019 at 5:30 p.m. at OMWD headquarters to consider adopting increases in the rates for service fees effective with water consumption beginning on March 1, 2020 and adoption of an ordinance that would authorize the District to pass through increased costs in purchased wholesale water, to pass through San Diego County Water Authority Infrastructure Access Charge, to pass through increases to the District's Cost of Operations and Maintenance and Capital Facilities, and any new fees imposed on the District by the State of California; seconded by Director Guerin and carried unanimously with President Sprague absent.

13. CONSIDER AN INFORMATIONAL REPORT ON EASEMENT MANAGEMENT

Engineering Manager Hubbard presented the informational report. No board action was required.

General Manager Thorner stated that the Engineering & Right of Way Coordinator position will be evaluated in the April 2020 Staffing Analysis.

14. CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH PIPELINE INSPECTION & CONDITION ANALYSIS CORPORATION (PICA) IN THE AMOUNT OF \$76,750 FOR ELECTROMAGNETIC CONDITION ASSESSMENT OF 1,600 FEET OF THE RANCHO SANTA FE ROAD 12-INCH STEEL PIPELINE, ALLOCATE \$150,000 TO THE PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Kephart moved to approve a professional services agreement with Pipeline Inspection & Condition Analysis Corporation (PICA) in the amount of \$76,750 for the internal electromagnetic condition assessment of 1,600 feet of the Rancho Santa Fe Road 12-inch steel pipeline, allocate \$150,000 to the overall project budget, and authorize the General Manager to sign on behalf of the District; seconded by Director Guerin and carried unanimously with President Sprague absent.

15. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 5 – Working Hours, Employee Benefits)

Upon motion by Director Watt and a second by Director Guerin, Ordinance 467 was adopted by the following roll call vote:

AYES: Directors Guerin, Kephart, Topolovac, and Watt
NOES: None
ABSTAIN: None
ABSENT: Sprague

16. CONSIDER PARTICIPATION ON ASSOCIATION OF CALIFORNIA WATER AGENCIES COMMITTEES FOR THE 2020-2021 TERM

Vice President Topolovac moved to nominate General Manager Thorner to the Association of California Water Agencies' Federal Affairs Committee for the 2020-2021 term; seconded by Director Guerin and carried unanimously with President Sprague absent.

17. INFORMATIONAL REPORTS

A. President's Report

There was not a President's report this meeting.

B. General Manager's Report

General Manager Thorner reported that the District was successful in obtaining San Diego Integrated Regional Water Management Program (IRWM) Prop 1, Round 1 funding bringing in \$750,000 for the South El Camino Real/Garden View Rd. Recycled Water Pipeline Extension as part of the North San Diego County Integrated Recycled Water Project.

There was board consensus to authorize the General Manager to continue serving on the the SDLAFCO Special District Advisory Committee and to have her nomination submitted for the next term.

C. Consulting Engineer's Report

Consulting Engineer MacFarlane provided a written report that 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 Report

Director Guerin reported on the tentative timeline of the CWA General Manager recruitment, stated that there was special counsel hired by CWA to provide assistance with the potential Fallbrook/Rainbow de-annexation, and provided a brief update on the Pipeline 4 repairs.

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

Carlsbad State of the Community (Aug 23)

Directors Sprague, Topolovac, and Watt attended the event.

Safety Committee Meeting (Aug 29)

Director Topolovac attended the meeting.

Facilities Committee Meeting (Sep 4)

Directors Guerin and Watt attended the meeting.

Gala in the Garden (Sep 7)

Director Watt attended the event.

APWA Expo (Sep 8-11)

Director Watt attended the conference.

WaterReuse Symposium (Sep 9-11)

Director Topolovac attended the conference.

EFRR Executive Committee (Sep 16)

Directors Kephart and Watt attended the meeting.

El Camino Real Pipeline Replacement Community Meeting (Sep 17)

Director Watt attended the meeting.

18. **CORRESPONDENCE**

Correspondence was provided in the board packet.

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

There were no requests.

20. **FUTURE AGENDA ITEMS**

There were no future agenda items.

21. **CONSIDER PUBLIC COMMENTS**

Customer Volker Hoehne inquired about the San Dieguito Brackish Groundwater Desalination Project. General Manager Thorner invited him on a tour of the project site.

NOTE: The meeting was in recess
from 5:25 p.m. to 5:47 p.m.

NOTE: The meeting was in closed session
from 5:47 p.m. to 5:55 p.m.

22. CLOSED SESSION

- A) 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.
- B) CONSIDER LITIGATION – SAN DIEGO GAS & ELECTRIC COMPANY VS. SC VALLEY ENGINEERING, INC; OMWD [PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)] • Additional Facts: Lawsuit received on May 16, 2019.

23. OPEN SESSION

There was no reportable action from Closed Session.

24. ADJOURNMENT

Vice President Topolovac adjourned the meeting at 5:55 p.m.

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

ATTEST:

Robert M. Kephart, Secretary
Board of Directors
Olivenhain Municipal Water District