

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

NOVEMBER 18, 2020

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, November 18, 2020 at the district office, 1966 Olivenhain Road, Encinitas, California via video conference.

President Sprague called the meeting to order at 4:02 p.m. Following the Pledge of Allegiance, the Assistant Secretary called the roll. Directors present were Guerin, Kephart, Sprague, Topolovac, and Watt. It was noted that Directors Guerin, Kephart, Sprague, Topolovac, and Watt participated in the meeting 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 Sprague declared a quorum present and ordered the meeting to proceed. In attendance via video conference 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; Teresa Chase, Administrative Analyst; and Stephanie Kaufmann, Executive Secretary.

Additionally, the following phone numbers called into the meeting: (760) 484-4408, (619) 660-5252, (858) 668-6596, and (760) 710-7331, and (858) 243-6374.

5. ADOPTION OF AGENDA

President Sprague moved to adopt the agenda, seconded by Director Kephart and approved by the following roll call vote:

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

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no personal appearances or public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

GFOA CAFR Award – 25th Consecutive year

2020 OMWD Awards Program Winners

- D&H Water Systems – Business of the Year
- Chuck Badger – Agricultural Customer of the Year
- Laura Lisauskas – Residential Customer of the Year
- Carter's Hay & Grain – Commercial Customer of the Year
- Leucadia Wastewater District – Recycled Water Customer of the Year
- The Escondido Creek Conservancy – Non-Profit of the Year
- Adena Boxer-Capitano – Volunteer of the Year
- Bill Dean – Educator of the Year
- Leonard Wittwer – Presidential Award

Finance Manager Selamat presented the GFOA CAFR Award to the board.

President Sprague and Administrative Analyst Chase presented the awards to the district's awards program winners.

8. CONSIDER APPROVAL OF THE MINUTES OF THE OCTOBER 14, 2020 REGULAR BOARD OF DIRECTORS MEETING

President Sprague moved to approve the October 14, 2020 Regular Board of Directors meeting minutes, seconded by Director Watt and approved by the following roll call vote:

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

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 AND STAFF

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 ACCEPTANCE OF THE 8960 MT. ISRAEL ROAD WATER SERVICE INSTALL PROJECT (ANH V. MA AND UYEN VI M. MA) INTO THE DISTRICT’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED
- C-d CONSIDER ACCEPTANCE OF THE ENCINITAS VILLAGE WATER SERVICE INSTALL PROJECT AND ABANDON EXISTING WATER SERVICE (TRC ENCINITAS VILLAGE, LLC) INTO THE DISTRICT’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED
- C-e CONSIDER ACCEPTANCE OF GRANT DEED PARCEL ‘A’ (PEAY RESERVOIR SITE) AND GRANT DEED PARCEL ‘B’ (PEAY REMAINDER PARCEL) FROM THE OLIVENHAIN MUNICIPAL WATER DISTRICT TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT FOR COUNTY OF SAN DIEGO LOT LINE ADJUSTMENT BC-20-0050 AND AUTHORIZE THE GRANT DEEDS BE RECORDED
- C-g CONSIDER AWARD OF A CONTRACT WITH SUEZ WATER TECHNOLOGIES AND SOLUTIONS IN THE AMOUNT OF \$68,030 FOR ON-SITE FIELD SERVICES TO SUPPORT TRAIN 6 MEMBRANE REPLACEMENT AT THE DAVID C. MCCOLLOM WATER TREATMENT PLANT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
- C-h CONSIDER APPROVAL OF A CONTRACT WITH JENNETTE COMPANY, INCORPORATED IN THE AMOUNT OF \$73,100 FOR THE DAVID C. MCCOLLOM WATER TREATMENT PLANT CHEMICAL SYSTEMS UPGRADE PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT AND CONSIDER A RESOLUTION MAKING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS AND ORDER A NOTICE OF EXEMPTION TO BE FILED WITH THE COUNTY CLERK OF SAN DIEGO
- C-i CONSIDER APPROVAL OF A THIRD AMENDMENT TO THE ORIGINAL PURCHASE AGREEMENT WITH THE ESCONDIDO CREEK CONSERVANCY FOR THE PURCHASE OF APN 223-081-04-00, 223-081-05-00, 223-082-23-00, AND 223-082-04-00 (GATY PARCELS) AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Kephart requested to pull Consent Calendar Item C-f.

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

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

C-f CONSIDER APPROVAL OF THE ANNEXATION OF THE AVION PROJECT (LENNAR HOMES OF CALIFORNIA, INC.) INTO THE DISTRICT'S 4S RANCH SANITATION DISTRICT SEWER SERVICE SPHERE

Director Kephart inquired about the district's responsibility of this private sewer system. Staff indicated that the district is working with Lennar to include language in the HOA Covenants, Conditions, and Restrictions (CC&Rs) regarding required inspection, maintenance, financing for the private sewer system, and reimbursement for staff time should the district be called to respond to a spill within the HOA. The CC&Rs will outline a clear designation of responsibility to each party and will protect the district for facilities owned, operated, and maintained by the HOA.

Director Kephart moved to approve Item C-f, seconded by President Sprague and approved by the following roll call vote:

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

10. CONSIDER ADOPTION OF A RESOLUTION DESIGNATING A NEW OLIVENHAIN MUNICIPAL WATER DISTRICT REPRESENTATIVE ON THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY FOR THE REMAINDER OF DIRECTOR GUERIN'S TERM COMMENCING JANUARY 2021

Director Kephart moved to adopt Resolution No. 2020-23 designating General Manager, Kimberly Thorner, as the district's representative on the San Diego County Water Authority Board of Directors for the remainder of Director Guerin's term commencing January 1, 2021 seconded by Director Guerin and approved by the following roll call vote:

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

Director Watt suggested amending Article 2 of the Administrative and Ethics Code to provide direction as to who can serve as the district's representative on the San Diego County Water Authority Board of Directors. There was board consensus to hold a Personnel Committee to draft the recommended language.

11. CONSIDER ADOPTION OF AN ORDINANCE AMENDING OLIVENHAIN MUNICIPAL WATER DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 8—Water Rates & Charges)

Upon motion by Director Topolovac and a second by Director Kephart, Ordinance 478 was adopted by the following roll call vote:

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

12. CONSIDER APPROVAL OF CHANGE ORDER NO. 5 WITH STANEK CONSTRUCTORS FOR \$61,375 FOR THE 4S RANCH WATER RECLAMATION FACILITY ULTRAVIOLET DISINFECTION SYSTEM PROJECT, INCREASE THE OVERALL PROJECT BUDGET BY \$75,000, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Watt moved to approve Change Order No. 5 with Stanek Constructors in the amount of \$61,375 for the 4S Ranch Water Reclamation Facility Ultraviolet Disinfection System Project, increase the overall project budget by \$75,000, and authorize the General Manager to sign on behalf of the district, seconded by President Sprague and approved by the following roll call vote:

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

13. CONSIDER AN APPROPRIATION OF \$500,000 TO THE VALVE REPLACEMENT PROJECT BUDGET FOR FISCAL YEAR 2020-2021

Director Kephart moved to appropriate \$500,000 to the project budget in order to complete the remaining seven valves in the contract with C.E. Wilson and provide additional funds for in-house valve replacements for the remainder of the fiscal year, seconded by Director Watt and approved by the following roll call vote:

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

14. CONSIDER UPDATE ON THE 4S WATER RECLAMATION FACILITY AND CIELO PUMP STATION ENERNOC CONTROLS REMOVAL AND CIELO PUMP STATION AUTOMATIC TRANSFER SWITCH REPLACEMENT EMERGENCY PROJECT

Operations Manager Fulks presented the informational report. No board action was required.

15. CONSIDER UPDATE ON THE COVID-19 EMERGENCY DECLARATION

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

16. CONSIDER ADOPTION OF AN ORDINANCE AMENDING OLIVENHAIN MUNICIPAL WATER DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 28—Sanitation Districts and Use of Rules and Regulations)

Upon motion by Director Topolovac and a second by Director Guerin, Ordinance 479 was adopted by the following roll call vote:

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

17. ADOPTION OF A RESOLUTION HONORING ROBERT M. KEPHART FOR HIS SERVICE REPRESENTING DIVISION 4 ON THE BOARD OF DIRECTORS

President Sprague moved to adopt Resolution No. 2020-22 honoring Director Kephart for his service on the Board of Directors, seconded by Director Topolovac and carried by the following roll call vote:

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

President Sprague and General Manager Thorner presented the resolution honoring Director Kephart for his service.

18. INFORMATIONAL REPORTS

A. President's Report

President Sprague did not have anything to report.

B. General Manager's Report

General Manager Thorner reported that the Wildlife Conservation Fund, in conjunction with The Conservancy, has approved grant funding for the sale of the Gaty parcel.

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

Director Guerin provided an update that the Fallbrook/Rainbow detachment is still ongoing, that her replacement as Vice Chair has yet to be decided, and that Phase B of the Regional Conveyance System Study will be discussed at tomorrow’s board meeting.

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

Document Signing (Oct 19)

Director Kephart signed documents with Executive Secretary Kaufmann.

Meeting with the GM (Oct 19)

Director Guerin met with the General Manager to discuss CWA issues.

Meeting with the GM (Oct 20)

Director Topolovac met with the General Manager to discuss district business.

Teleconference with the GM (Oct 22)

Director Guerin met with the General Manager to discuss CWA Issues.

Virtual Study Session on the RCSS hosted by CWA (Oct 27)

Directors Topolovac and Watt participated in the study session.

Encinitas Virtual State of the City (Oct 27)

Director Watt attended the virtual event.

Teleconference with the GM (Oct 27)

Director Watt met with the General Manager to discuss district business.

AB 1234 Ethics Training (Oct 28)

Director Topolovac completed the training.

Teleconference with the GM (Oct 29)

Director Guerin met with the General Manager to discuss CWA issues.

Safety Committee Meeting (Oct 29)

Directors Kephart and Topolovac participated in the committee meeting.

Teleconference with the GM (Nov 4)

Director Guerin met with the General Manager to discuss Regional Conveyance issues.

Teleconference with the GM (Nov 5)

Director Guerin met with the General Manager to discuss CWA issues.

Teleconference with the GM (Nov 9)

Directors Topolovac and Watt both met with the General Manager to discuss district business.

APWA Virtual Luncheon (Nov 12)

Director Watt attended the virtual luncheon.

Finance Committee Meeting (Nov 16)

Directors Sprague and Watt attended the committee meeting.

19. CORRESPONDENCE

Correspondence was provided in the board packet.

20. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

There were no meetings requiring authorization to attend.

21. FUTURE AGENDA ITEMS

Director Watt suggested amending Article 2 of the Administrative and Ethics Code to provide direction as to who can serve as the district's representative on the San Diego County Water Authority Board of Directors. There was board consensus to hold a Personnel Committee to draft the recommended language.

22. CONSIDER PUBLIC COMMENTS

There were no public comments.

NOTE: The meeting was in recess
from 5:40 p.m. to 5:46 p.m.

NOTE: The meeting was in closed session
from 5:46 p.m. to 6:31 p.m.

23. 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 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.
- C) CONSIDER CLAIM – SILVERWOOD RESIDENCE [PURSUANT TO GOVERNMENT CODE SECTION 54956.9] • Additional Facts: Claim received on September 10, 2020.
- D) CONSIDER GENERAL MANAGER REVIEW [PURSUANT TO GOVERNMENT CODE SECTION 54957] • Additional Facts: Received packet; full review and compensation discussion to be held on November 18, 2020.

24. OPEN SESSION

In regards to Closed Session Item C, there was board consensus to accept the Silverwood Settlement.

After discussion by the board, General Manager Thorner was awarded \$7,200 for goal incentive pay for calendar year 2020, payable in November. General Manager Thorner will receive a base pay increase of 2.0% and is approved to accept the CWA board member stipend effective January 1, 2021.

Director Topolovac moved to grant the aforementioned goal incentive pay and compensation as stated, seconded by Director Guerin and carried by the following roll call vote:

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

It was noted that the 2021 goal incentive amount would be established after the annual objectives presentation in January 2021.

25. ADJOURNMENT

President Sprague adjourned the meeting at 6:53 p.m.

Edmund K. Sprague, President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

Kimberly A. Thorner, Assistant Secretary
Board of Directors
Olivenhain Municipal Water District