

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

NOVEMBER 7, 2018

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, November 7, 2018, at the District office, 1966 Olivenhain Road, Encinitas, California.

President Watt 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, Sprague, Topolovac, and Watt.

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; George Briest, 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 Division 4 board vacancy candidates Janet L. Denny, Melanie S. Fallon, Jean Harris, Robert M. Kephart, Michael Marasco, John Ramirez, and Frank Twohy; consultants Rosalyn Prickett and Kraig Erikson with Woodard and Curran; consultant Terry Watkins with Geosciense; Mark Baker from HB&A Architects; Consulting Engineer Don MacFarlane; District employees Brian Sodeman – Customer Service and Public Affairs Supervisor; John Onkka – Water Reclamation Facility Supervisor; Karen Ogawa – Engineering Project Administrator; Teresa Chase – Staff Analyst; Jesica Cleaver – Education and Conservation Coordinator; and Shawn Patterson – Administrative Assistant.

5. ADOPTION OF AGENDA

General Manager Thorner proposed to remove item C-c from the consent calendar and postpone the item to the December board meeting.

President Watt moved to adopt the amended agenda, seconded by Director Topolovac and carried unanimously.

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

Vasily Campbell from Towerpoint Capital spoke regarding item 11 and an alternative funding source for the project.

Those in attendance were present for agenda items 7 and 10.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

* Elfin Forest Recreational Reserve Photo Contest Winners

President Watt and Park Supervisor Anderson introduced the annual Elfin Forest Recreational Reserve photo contest winners. The various categories and winners of the photo contest were announced as listed below. Winners who were in attendance were congratulated by the board.

Best in Show	William Arboleda
1st Place – Scenic View	Lance Hanekamp
1st Place – Water Scenery	Hayden Vance
1st Place – Plants	Carolyn Freeman
1st Place – Animals	Daniel Tomczak
1st Place – People’s Choice	Cathy Philips
1st Place – Youth	Stella Kilns
1st Place – Employee	Teresa Chase

8. CONSIDER APPROVAL OF THE MINUTES OF THE OCTOBER 17, 2018 REGULAR BOARD OF DIRECTORS MEETING

President Watt provided an edit to the minutes regarding item 21 A, President’s Report revising the minutes to read “Due to Director Varty’s departure” rather than “In lieu of Varty’s departure.” The board concurred.

Director Sprague moved to approve the revised October 17, 2018, meeting minutes, seconded by President Watt and carried unanimously.

9. CONSENT CALENDAR

C-a CONSIDER ACCEPTANCE OF THE DAVID C. MCCOLLOM WATER TREATMENT PLANT SEWER MANHOLE REHABILITATION PHASE I PROJECT (SOCAL PACIFIC CONSTRUCTION CORPORATION DBA NATIONAL COATING LINING COMPANY) INTO THE DISTRICT’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-b CONSIDER APPROVAL OF A CONTRACT WITH PIPERIN CORPORATION IN THE AMOUNT OF \$74,700 FOR THE DAVID C. MCCOLLOM WATER TREATMENT PLANT SEWER MANHOLE REHABILITATION PHASE II PROJECT, ALLOCATE \$100,000 TO THE PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

C-c CONSIDER ACCEPTANCE OF THE EXT. 235 – PALMA DE LA REINA PROJECT (NEWPORT PACIFIC, INC.) INTO THE DISTRICT’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

General Manager Thorner requested the board pull Consent Calendar item C-c and move to the December Board Meeting. The board concurred.

Director Guerin moved to authorize the Consent Calendar items with the removal of item C-c, seconded by Director Topolovac and carried unanimously.

10. CONSIDER DIVISION 4 VACANCY ON THE OLIVENHAIN MUNICIPAL WATER DISTRICT’S BOARD OF DIRECTORS AND POSSIBLE SWEARING-IN OF NEW BOARD MEMBER (4:30 p.m.)

General Manager Thorner stated that seven individuals had applied for the Division 4 board vacancy, adding that the Ad Hoc Board Personnel Committee had reviewed all applications and recommended that all candidates be granted an interview. All directors had the opportunity to review each application and supporting documentation.

The board proceeded to interview candidates in alphabetical order by last name, namely: Janet L. Denny, Melanie S. Fallon, Jean Harris, Robert M. Kephart, Michael Marasco, John Ramirez, and Frank Twohy. All candidates voluntarily opted to leave the boardroom before the first interview in order to ensure fairness. Each applicant was invited back to the boardroom for a 5-minute interview with the board.

After deliberations regarding the various applicants who were interviewed, Director Guerin moved to appoint Robert M. Kephart as the new Board Director representing Division 4, seconded by Director Sprague and carried unanimously. Robert M. Kephart will serve the remaining portion of the Division 4 director’s term, which expires on December 4, 2020. Robert M. Kephart was sworn into office at the culmination of the November 7, 2018 meeting.

Items 12 and 13 were heard next on the agenda.

12. PUBLIC HEARING TO CONSIDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT INITIAL STUDY AND THE DRAFT MITIGATED NEGATIVE DECLARATION FOR THE SAN DIEGUITO VALLEY BRACKISH GROUNDWATER DESALINATION DESIGN PILOT PROJECT (5:30 p.m.)

President Watt announced that this is the time and place for a public hearing to receive public comments regarding the proposed California Environmental Quality Act (CEQA) Initial Study and Mitigated Negative Declaration for the San Dieguito Valley Brackish Groundwater Desalination Design Pilot Project.

General Manager Thorner stated that on October 18, 2018 the Notice of Public Hearing was mailed to owners and occupants within a 1,000 ft. radius on Thursday, October 18, 2018, was filed with the County Clerk, mailed to the State Clearing House, California’s Department of Fish and Wildlife, the City of San Diego, and the Regional Water Quality Control Board. She added that the pilot project would conduct a one-year pump test, which would involve installation and operation of a test well. The environmental Initial Study/Mitigated Negative Declaration has been prepared to identify and manage the potential effects of the project on the environment, as required by CEQA. Three written comments were received in opposition to this matter and will be addressed in the final document to the board on December 12, 2018.

President Watt invited anyone present who wished to be heard in support of or against the proposition to speak.

There were no members of the public who spoke.

President Watt announced the public hearing as closed.

Consultant Rosalyn Prickett from Woodard and Curran presented the Initial Study and Mitigated Negative Declaration for the San Dieguito Valley Brackish Groundwater Desalination Design Pilot Project. Action will be taken at the December 12, 2018, board meeting.

13. PUBLIC HEARING TO CONSIDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT INITIAL STUDY AND THE DRAFT MITIGATED NEGATIVE DECLARATION FOR THE MAIN EXTENSION 153A RECYCLED WATER PIPELINE PROJECT (5:30 p.m.)

President Watt announced that this is the time and place for a public hearing to receive public comments regarding the proposed California Environmental Quality Act (CEQA) Initial Study and Mitigated Negative Declaration for the Main Extension 153A Recycled Water Pipeline Project.

General Manager Thorner stated that on October 18, 2018 the Notice of Public Hearing was mailed to owners and occupants within a 1,000 ft. radius on Thursday, October 18, 2018, was filed with the County Clerk, mailed to the State Clearing House, California’s Department of Fish and Wildlife, the City of San Diego, and the Regional Water Quality Control Board. She added that the project would extend recycled water service from OMWD’s existing recycled water pipeline near the existing recycled water meter at the Morgan Run Club & Resort property to the northwestern end of the Surf Cup Sports, LLC property. The environmental Initial Study/Mitigated Negative Declaration has been prepared to identify and manage the potential effects of the project on the environment, as required by CEQA. Three written comments were received in opposition to this matter and will be addressed in the final document to the board on December 12, 2018.

President Watt invited anyone present who wished to be heard in support of or against the proposition to speak.

There were no members of the public who spoke.

President Watt announced the Public Hearing as closed.

Consultant Rosalyn Prickett from Woodard and Curran presented the Initial Study and Mitigated Negative Declaration for the Main Extension 153A Recycled Water Pipeline Project. Action will be taken at the December 12, 2018, board meeting.

Item 14 was heard next on the agenda.

14. CONSIDER APPROVAL OF A CONTRACT WITH J.R. FILANC CONSTRUCTION COMPANY, INC. IN THE AMOUNT OF \$596,746.63 FOR THE 4SWRF TERTIARY FILTER REHABILITATION PROJECT, APPROPRIATE \$185,000 TO THE PROJECT BUDGET, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

President Watt moved to approve a contract with J.R. Filanc Construction Company, Inc. in the amount of \$596,746.63 for the 4S Ranch Water Reclamation Facility Tertiary Filter Rehabilitation project, appropriate \$185,000 to the project budget, and authorize the General Manager to sign on behalf of the District, seconded by Director Topolovac and carried unanimously.

11. CONSIDER APPROVAL OF A CONTRACT WITH KEETON CONSTRUCTION COMPANY, INC. IN THE AMOUNT OF \$12,915,000 FOR CONSTRUCTION OF THE NEW AND REMODELED OPERATIONS AND ADMINISTRATION FACILITIES (BUILDING D) PROJECT, APPROPRIATE AN ADDITIONAL \$2,800,000 TO THE PROJECT, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Engineering Manager Briest presented the report.

Director Topolovac inquired about the 5% contingency on the project. Engineering Manager Briest responded that with the pre-qualification process, comments from contractors on the quality of the drawings, close bids, and possible alternative funding opportunities such as the sale of surplus properties, he felt that a 5% contingency was sufficient. Engineering Manager Briest also discussed the qualifications and local municipal experience with Keeton Construction Company, Inc.

Director Guerin commented that the review process for this project was detailed and thorough. She also added that the District is expanding and having adequate facilities to accommodate the growth is needed.

President Watt moved to approve a contract with Keeton for construction of Bid Schedule II in the amount of \$12,915,000, an additional appropriation of \$2,800,000 to the project, and

authorization for the General Manager to sign on behalf of the District, and seconded by Director Guerin carried unanimously.

15. INFORMATIONAL REPORTS

A. President's Report

President Watt reported on the VIP Tour and the Personnel and the Safety Committee meetings.

General Counsel Smith proceeded with the swearing-in of Director Kephart for the remaining portion of the Division 4 director's term, which expires on December 4, 2020.

B. General Manager's Report

General Manager Thorner determined that with the appointment of Director Kephart to the Division 4 vacancy, a Special Meeting on November 9, 2018, was no longer necessary.

President Watt moved to cancel the November 9, 2018, Special Meeting, seconded by Director Sprague and carried unanimously.

C. Consulting Engineer's Report

Consulting Engineer MacFarlane provided a written report that was handed out at the meeting.

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 a brief update on litigation and reported that the CWA Meeting Summary was provided to the board.

F. Legislative Report

The Legislative Report was included in the board packet.

G. LAFCO Report

Director Sprague provided an update that the potential Julian-Cuyamaca Fire Protection District dissolution will go to a special election in March of 2019.

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

VIP Facilities Tour (Oct 18)

Directors Topolovac and Watt attended the tour.

CWA Comment Meeting (Oct 22)

Director Guerin attended the meeting.

Personnel Committee Meeting (Oct 23)

Directors Guerin and Watt attended the committee meeting.

Safety Committee Meeting (Oct 25)

Directors Topolovac and Watt attended the meeting.

Personnel Committee Meeting Follow Up (Oct 30)

Directors Guerin and Watt participated in the follow-up teleconference.

H2O Women's Conference (Nov 1-2)

Director Guerin attended the conference.

Review Follow Up (Nov 5)

President Watt attended the review follow-up meeting.

16. CORRESPONDENCE

Correspondence was provided in the board packet.

17. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

There were no meetings requiring authorization to attend.

18. FUTURE AGENDA ITEMS

There were no future agenda items added.

19. CONSIDER PUBLIC COMMENTS

There were no public comments.

NOTE: The meeting was in closed session
from 7:41 p.m. to 8:10 p.m.

20. CLOSED SESSION

A) CONSIDER GENERAL MANAGER REVIEW [PURSUANT TO GOVERNMENT CODE SECTION 54957] • Additional Facts: Full review in closed session and any adjustment to compensation to be discussed in open session.

21. OPEN SESSION DISCUSSION OF GENERAL MANAGER'S (A) 2018 INCENTIVE AND (B) 2019 COMPENSATION

After discussion by the board, General Manager Thorner was awarded a \$6,000 goal incentive pay for calendar year 2018, payable in November. General Manager Thorner also received a base pay increase of 4% effective January 1, 2019.

President Watt moved to grant the aforementioned goal incentive pay and compensation as stated, seconded by Director Guerin and carried unanimously.

22. ADJOURNMENT

President Watt adjourned the meeting at 8:34 p.m.

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

ATTEST:

Kimberly A. Thorner, Assistant Secretary
General Manager
Olivenhain Municipal Water District