

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

January 18, 2017

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, January 18, 2017 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, Varty, 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; Joseph Randall, Assistant General Manager; Rainy Selamat, Finance Manager; George Briest, Engineering Manager; Dave Smith, Operations Manager; and Stephanie Kaufmann, Executive Secretary.

Also in attendance were Consulting Engineer Don MacFarlane; District employees John Carnegie – Customer Services Manager; Teresa Chase – Staff Analyst; Brian Sodeman – Education and Conservation Coordinator; Mike Perez – Meters Supervisor; Jesica Cleaver – Customer Service Representative; John Onkka – Water Reclamation Facilities Supervisor; Felipe Monsai – Financial Analyst.

5. ADOPTION OF AGENDA

Director Guerin moved to adopt the agenda, seconded by Director Varty and carried unanimously.

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no personal appearances or public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

- * Michelle Angel, Customer Service Representative I – 5 years of service
- * Larry Watt, Board President – 5 years of service
- * Kimberly Thorner, General Manager – 20 years of service
- * John Carnegie, Customer Services Manager – Promotion

Those who received awards were congratulated by all in attendance.

8. CONSIDER APPROVAL OF THE MINUTES OF THE DECEMBER 7, 2016 REGULAR BOARD OF DIRECTORS MEETING

Director Sprague moved to approve the December 7, 2016 meeting minutes, seconded by Director Guerin and carried unanimously.

9. CONSENT CALENDAR

C-a CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S CONSOLIDATED STATEMENTS OF NET POSITION, CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORTS

C-b 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-c CONSIDER ACCEPTANCE OF THE VILLAGE PARK RECYCLED WATER PROJECT PHASES 1 – 3 (SC VALLEY ENGINEERING INC.) INTO THE DISTRICT'S SYSTEM AND ORDER THAT A NOTICE OF COMPLETION BE FILED

C-d CONSIDER ACCEPTANCE OF THE 9021 DETWILER ROAD FIRE HYDRANT INSTALL PROJECT (JEFF RADCLIFFE) INTO THE DISTRICT'S SYSTEM AND ORDER THAT A NOTICE OF COMPLETION BE FILED

C-e CONSIDER ACCEPTANCE OF THE LOT 103 AVENIDA APICE WATER SERVICE, SEWER LATERAL AND FIRE DETECTOR CHECK INSTALLATION PROJECT (RANCHO CIELO ESTATES, LTD) INTO THE DISTRICT'S SYSTEM AND ORDER THAT A NOTICE OF COMPLETION BE FILED

C-f CONSIDER ACCEPTANCE OF THE FORTUNA DEL ESTE WATER SERVICE INSTALLATION PROJECT (GARY AGLIATA) INTO THE DISTRICT'S SYSTEM AND ORDER THAT A NOTICE OF COMPLETION BE FILED

C-g CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 379 FOR 3453 BUMANN ROAD (NICOLE EDNA ZARCADES) AND ORDER THAT THE PERMIT BE RECORDED

C-h CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH AEGIS ENGINEERING MANAGEMENT IN THE AMOUNT OF \$56,751 FOR RECYCLED WATER SITE INSPECTIONS, TESTING, AND DOCUMENTATION FOR NEW AND EXISTING RECYCLED WATER SITES AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

- C-i CONSIDER APPROVAL OF THE DISTRICT’S UPDATED STANDARD SPECIFICATIONS AND DRAWINGS
- C-j CONSIDER REVISIONS TO THE LEGISLATIVE GUIDELINES FOR 2017
- C-k CONSIDER APPROVAL OF A CONTRACT WITH SUPERIOR TANK SOLUTIONS FOR THE FACTORY REHAB OF THE 4G RESERVOIR IN THE AMOUNT OF \$39,750 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
- C-l CONSIDER APPROVAL OF AN AMENDMENT TO THE EXISTING IMPLEMENTATION AND SUPPORT SERVICES AGREEMENT WITH BEVERLY WEBER TO PROVIDE TECHNICAL SUPPORT SERVICES FOR THE FINANCIAL ENTERPRISE RESOURCE PLANNING (ERP) AND UTILITY BILLING SYSTEMS IN THE AMOUNT OF \$68,000 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
- C-m CONSIDER APPROVAL OF AND AMENDMENT TO THE EXISTING PROFESSIONAL SERVICE AGREEMENT WITH EDWARD PROCTOR FOR METERING AND UTILITY BILLING SYSTEMS SUPPORT AND MAINTENANCE IN THE AMOUNT OF \$46,000 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Watt moved to approve the Consent Calendar items as written, seconded by Director Sprague and carried unanimously.

10. CONSIDER DRAFT 2017 ANNUAL OBJECTIVES

Staff Analyst Chase reviewed this item and requested board input.

Add Objective #5j, Active Shooter Training.

Regarding Objective #8b, add the language, “Community organizations.”

Add Objective #9g, Present operating efficiency ratio to Board with the Auditor’s Report in December computed to average of several other local water agencies.

The final annual objectives will be brought to the board for approval on February 15, 2017.

11. CONSIDER APPROVAL OF AN EXTENSION TO THE EXISTING PROFESSIONAL AUDITING SERVICES AGREEMENT BETWEEN OMWD AND WHITE NELSON DIEHL EVANS, LLP

Director Guerin moved to approve extending the agreement for the two fiscal years ending June 30, 2017 and 2018, seconded by Director Varty and carried unanimously with Director Topolovac abstaining.

12. CONSIDER ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT DESIGNATING DEPOSITORIES AND AUTHORIZING INVESTMENTS FOR THE MONEY OF THE DISTRICT AND DESIGNATING THE SIGNATORIES FOR THE MANAGEMENT OF THE DISTRICT DEPOSITS AND RESCINDING RESOLUTION 2016-01

Director Sprague moved to adopt Resolution 2017-01, seconded by Director Varty and carried unanimously.

13. CONSIDER AWARD OF A CONTRACT WITH SCHULER CONSTRUCTORS FOR THE CONSTRUCTION OF THE MID-POINT SEWER PUMP STATION ODOR CONTROL PROJECT IN THE AMOUNT OF \$239,004, APPROPRIATE \$50,000 TO THE PROJECT, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Watt moved to award a contract to Schuler Constructors in the amount of \$239,004, appropriate \$50,000 from the Wastewater Capital Replacement Fund, and authorize the General Manager to sign on behalf of the District, seconded by Director Sprague and carried unanimously.

14. CONSIDER AN APPROPRIATION IN THE AMOUNT OF \$300,000 FOR THE REPLACEMENT OF THE VALES I PRESSURE REDUCING STATION, APPROVAL OF AN AGREEMENT WITH HOCH CONSULTING IN THE AMOUNT OF \$57,200 FOR DESIGN AND AUTHORIZATION FOR THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Guerin moved to appropriate \$300,000 to the project, approve an agreement with Hoch Consulting in the amount of \$57,200, and authorize for the General Manager to sign on behalf of the District, seconded by Director Topolovac and carried unanimously.

15. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (*Article 2 – Organization of Board of Directors*)

Upon motion by Director Watt and a second by Director Guerin, Ordinance No. 447 was adopted by the following roll call vote:

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

16. CONSIDER STAFF PRESENTATION ON PROPOSED 2017 POTABLE AND RECYCLED WATER RATE INCREASES (INFORMATIONAL ITEM)

Finance Manager Selamat utilized a PowerPoint presentation to review this informational item. The board recommended that staff proceed with providing notice to District customers of a potential 6.5% rate increase effective March 31. Final board action will be taken at the March 9, 2017 regular board meeting.

17. CONSIDER INFORMATIONAL REPORT ON WATER SUPPLY AND DROUGHT CONDITIONS AND LONG-TERM WATER USE EFFICIENCY REGULATIONS

This was an informational item. No board action was required.

18. INFORMATIONAL REPORTS

A. President's Report

President Watt noted that he will not be present at the February Board Meeting. He also proposed forming a Cybersecurity Ad Hoc Subcommittee. With board consensus, he appointed himself and Director Topolovac.

B. General Manager's Report

General Manager Thorner reported that she will be meeting with Kim Craig tomorrow in Sacramento to discuss long-term water conservation framework.

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 that there will be a CWA Board meeting next week and that she will also be Chairperson of the Legislation and Public Outreach Committee.

F. Legislative Report

The report was included in the board packet.

G. LAFCO Report

Board Member Sprague had nothing to report.

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

Bi-monthly Safety Committee Meeting (Dec 15)

Directors Topolovac and Watt attended the Bi-Monthly Safety Committee Meeting.

Finance Committee Meeting (Jan 10)

Directors Sprague and Varty attended the Finance Committee Meeting and provided brief comments.

Facilities Committee Meeting (Jan 11)

Director Guerin and Sprague attended the Facilities Committee Meeting.

APWA Monthly Membership Meeting (Jan 12)

President Watt attended the APWA Monthly Membership Meeting where SANDAG's Executive Director Gary Gallegos presented.

COWU Breakfast Meeting (Jan 17)

Directors Varty and Watt attended the COWU Breakfast 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

There were no future agenda items requested.

22. CONSIDER PUBLIC COMMENTS

There were no public comments.

23. ADJOURNMENT

President Watt adjourned the meeting at 6:42 p.m.

Christy Guerin, Vice President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

Gerald E. Varty, Secretary
Board of Directors
Olivenhain Municipal Water District