

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

DECEMBER 12, 2018

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, December 12, 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 Kephart, Sprague, Topolovac, and Watt. It was noted that Director Guerin was absent.

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.

In attendance were White Nelson Diehl Evans LLP Consultant David Foreman; Woodard and Curran Consultant Rosalyn Prickett; Consulting Engineer Don MacFarlane; District employees Brian Sodeman – Customer Service and Public Affairs Supervisor; Chad Williams – Engineering Supervisor; Karen Ogawa – Engineering Project Administrator; and Shawn Patterson – Administrative Assistant.

General Counsel Smith swore in Director Topolovac as OMWD's Division 1 board representative. Director Topolovac will serve a four-year term through December 7, 2022, and was congratulated by all in attendance.

5. ADOPTION OF AGENDA

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

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no personal appearances or public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

- * Marcela Novy – New Hire – Accountant I
- * George Mileon – Senior Systems Administrator – 15 years

Accountant Novy was welcomed by the board.

The board thanked Senior Systems Administrator Mileon for his invaluable service to the District.

8. CONSIDER APPROVAL OF THE MINUTES OF THE NOVEMBER 7, 2018 REGULAR BOARD OF DIRECTORS MEETING

Director Topolovac moved to approve the November 7, 2018, meeting minutes, seconded by Director Sprague and carried unanimously with Director Guerin 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; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORTS

C-b 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-c CONSIDER ADOPTION OF A RESOLUTION SUPPORTING THE DISTRICT'S EMPLOYEE SAFETY AND WELLNESS PROGRAMS

C-d CONSIDER APPROVAL OF ANNUAL REVISIONS TO THE DISTRICT'S RECORDS RETENTION SCHEDULE

C-e CONSIDER REVISIONS TO THE LEGISLATIVE GUIDELINES FOR 2019

C-f CONSIDER INFORMATIONAL REPORT ON OLIVENHAIN MUNICIPAL WATER DISTRICT'S IDENTITY THEFT PREVENTION PROGRAM

C-g CONSIDER APPROVAL OF A CONTRACT WITH C.E WILSON CORPORATION IN THE AMOUNT OF \$605,550 FOR THE FISCAL YEAR 2018-2019 VALVE REPLACEMENT PROJECT EXCAVATION AND PAVING SUPPORT SERVICES AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

C-h CONSIDER ACCEPTANCE OF THE VIA AMBIENTE ROAD IMPROVEMENTS PROJECT (RANCHO CIELO ESTATES, LTD.) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

- C-i CONSIDER APPROVAL OF A CHANGE ORDER FROM HOCH CONSULTING IN THE AMOUNT OF \$23,208.75 FOR THE LUSARDI CREEK PIPELINE REPAIR PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
- C-j 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
- C-k CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 387 FOR 16413 RIO VISTA ROAD (RANCHO DEVELOPERS, INC.) AND ORDER THE PERMIT TO BE RECORDED
- C-l CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 396 FOR 7943 ARTESIAN ROAD (ROBINSON FAMILY TRUST DTD 7/31/03) AND ORDER THE PERMIT TO BE RECORDED
- C-m CONSIDER A CHANGE ORDER WITH WOODARD AND CURRAN FOR ADDITIONAL DESIGN AND CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE MAIN EXTENSION 153A RECYCLED WATER PIPELINE IN THE AMOUNT OF \$77,635 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
- C-n CONSIDER ANNUAL REVIEW OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT’S INVESTMENT POLICY

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

- 10. CONSIDER APPROVAL OF THE DISTRICT’S FISCAL YEAR 2017-2018 AUDITED FINANCIAL STATEMENTS AND COMPREHENSIVE ANNUAL FINANCIAL REPORT (FINAL DRAFT)

Director Kephart moved to approve the Comprehensive Annual Financial Report, seconded by Director Sprague and carried unanimously with Director Guerin absent.

- 11. CONSIDER APPROVAL OF A CONSOLIDATED AGREEMENT WITH SAN ELIJO JOINT POWERS AUTHORITY FOR THE PURCHASE OF RECYCLED WATER AS WELL AS OWNERSHIP AND MAINTENANCE OF THE VILLAGE PARK PROJECT COMPONENTS AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Topolovac moved to approve the consolidated agreement with San Elijo Joint Powers Authority for the purchase of recycled water as well as ownership and maintenance of Village Park recycled water project components, seconded by Director Kephart and carried unanimously with Director Guerin absent.

12. CONSIDER ADOPTION OF A RESOLUTION CERTIFYING THE FINAL MITIGATED NEGATIVE DECLARATION FOR THE SAN DIEGUITO VALLEY GROUNDWATER DESALINATION DESIGN PILOT PROJECT AND ORDER A NOTICE OF DETERMINATION BE FILED WITH THE COUNTY CLERK

Director Topolovac moved to adopt Resolution 2018-23 certifying the Final IS/MND for the San Dieguito Valley Brackish Ground Water Desalination Design Pilot Project and authorize the General Manager to file a Notice of Determination with the County Clerk, seconded by Director Kaphart and carried unanimously with Director Guerin absent.

13. CONSIDER ADOPTION OF A RESOLUTION CERTIFYING THE FINAL MITIGATED NEGATIVE DECLARATION FOR THE MAIN EXTENSION 153A RECYCLED WATER PIPELINE PROJECT AND ORDER A NOTICE OF DETERMINATION BE FILED WITH THE COUNTY CLERK

President Watt moved to adopt Resolution 2018-24 certifying the Final IS/MND for the Main Extension 153A Recycled Water Pipeline project and authorize the General Manager to file a Notice of Determination with the County Clerk, seconded by Director Topolovac and carried unanimously with Director Guerin absent.

14. CONSIDER THE OMWD FINANCE CORPORATION ANNUAL MEETING

President Watt conducted the OMWD Finance Corporation annual meeting. The minutes for the OMWD Finance Corporation meeting are attached as Exhibit "A."

15. CONSIDER THE OMWD FINANCING AUTHORITY (JOINT POWERS AUTHORITY) BOARD MEETING

President Watt conducted the OMWD Financing Authority (Joint Powers Authority) board meeting. The minutes for the OMWD Financing Authority meeting are attached as Exhibit "B."

16. CONSIDER DISCUSSION OF BOARD OFFICERS AND COMMITTEE ASSIGNMENTS TO TAKE PLACE AT THE JANUARY 2019 BOARD MEETING

There was board consensus to approve the following Board Officer positions; Director Sprague as President, Director Topolovac as Vice President, Director Kephart as Secretary, Director Watt as Treasurer, and Director Guerin as Director.

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

After discussion, upon motion by President Watt and a second by Director Kephart, Ordinance 461 was approved by the following roll call vote:

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

18. INFORMATIONAL REPORTS

A. President's Report

President Watt reported that he participated in a confined space demonstration, Finance Committee meeting, the ACWA JPIA board meeting, the ACWA conference, a retirement event, the SDVGWP community meeting, and the SDNEDC economic awards luncheon.

B. General Manager's Report

General Manager Thorner provided a written report that was included in the board packet.

C. Consulting Engineer's Report

Consulting Engineer MacFarlane provided a written report that was provided to the board electronically before the board 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

There was not a San Diego County Water Authority Report this meeting.

F. Legislative Report

The Legislative Report was included in the board packet.

G. LAFCO Report

Director Sprague provided an update of the new LAFCO board members for 2019 and reported that he will continue to serve as the Vice-Chair.

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

Safety Confined Space Demo. (Nov 13)

Directors Topolovac and Watt attended the demonstration.

Finance Committee Meeting (Nov 14)

Directors Sprague and Watt attended the meeting.

ACWA JPIA Meeting (Nov 26)

President Watt attended the ACWA JPIA Meeting.

ACWA Fall Conference (Nov 27-29)

Directors Kephart, Topolovac, and Watt attended the conference.

Retirement Event (Nov 30)

Directors Topolovac and Watt attended the event.

CWA Comment Meeting (Dec 3)

Director Guerin attended the meeting.

SDVGWP Design Project Community Meeting (Dec 4)

Directors Topolovac and Watt attended the meeting.

SDNEDC North County Economic in Excellence Awards Luncheon (Dec 7)

Directors Kephart, Sprague, Topolovac, and Watt attended the luncheon.

End of the Year Dinner (Dec 7)

Directors Kephart, Sprague, Topolovac, and Watt attended the dinner.

GM Meeting (Dec 10)

Director Topolovac attended the meeting.

Portrait Session (Dec 11)

Director Kephart attended the portrait session.

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 added.

22. **CONSIDER PUBLIC COMMENTS**

There were no public comments.

23. **ADJOURNMENT**

President Watt adjourned the meeting at 5:29 p.m.

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

ATTEST:

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

MINUTES OF AN ANNUAL MEETING
OF THE BOARD OF DIRECTORS OF THE
OMWD FINANCE CORPORATION

December 12, 2018

An annual meeting of the Board of Directors of the OMWD Finance Corporation was held on Wednesday, December 12, 2018, at the District office, 1966 Olivenhain Road, Encinitas, California.

President Watt called the meeting to order at 4:53 p.m. Directors present were Kephart, Sprague, Topolovac, and Watt. It was noted that Director Guerin was absent.

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; George Briest, Engineering Manager; Rainy Selamat, Finance Manager; Dave Smith, Operations Manager; Tom Wood, Human Resources Manager; and Stephanie Kaufmann, Executive Secretary.

Also in attendance were Consulting Engineer Don MacFarlane; District employees Brian Sodeman – Customer Service and Public Affairs Supervisor; Chad Williams – Engineering Supervisor; Karen Ogawa – Engineering Project Administrator; and Shawn Patterson – Administrative Assistant.

ADOPTION OF AGENDA

Director Topolovac moved to adopt the agenda as presented, seconded by Director Sprague and carried unanimously.

PERSONAL APPEARANCE AND PUBLIC COMMENTS

There was no one present to comment.

CONSIDER THE STATUS OF DEBT ISSUED BY THE NON-PROFIT CORPORATION (OLIVENHAIN MUNICIPAL WATER DISTRICT WATER SYSTEM REFUNDING REVENUE BONDS SERIES 2015A)

Director Sprague moved to receive and accept the staff report, seconded by Director Topolovac and carried unanimously.

ADJOURNMENT

President Watt adjourned the meeting at 4:54 p.m.

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

ATTEST:

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

MINUTES OF THE BOARD OF DIRECTORS MEETING
OF THE OMWD FINANCING AUTHORITY
(JOINT POWERS AUTHORITY)

December 12, 2018

A meeting of the Board of Directors of the OMWD Financing Authority (Joint Powers Authority) was held on Wednesday, December 12, 2018, at the District office, 1966 Olivenhain Road, Encinitas, California.

President Watt called the meeting to order at 4:55 p.m. Directors present were Kephart, Sprague, Topolovac, and Watt. It was noted that Director Guerin was absent.

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; George Briest, Engineering Manager; Rainy Selamat, Finance Manager; Dave Smith, Operations Manager; Tom Wood, Human Resources Manager; and Stephanie Kaufmann, Executive Secretary.

Also in attendance were Consulting Engineer Don MacFarlane; District employees Brian Sodeman – Customer Service and Public Affairs Supervisor; Chad Williams – Engineering Supervisor; Karen Ogawa – Engineering Project Administrator; and Shawn Patterson – Administrative Assistant.

ADOPTION OF AGENDA

Director Topolovac moved to adopt the agenda as presented, seconded by Director Sprague and carried unanimously.

PERSONAL APPEARANCE AND PUBLIC COMMENTS

There was no one present to comment.

CONSIDER THE STATUS OF DEBT ISSUED BY THE OMWD FINANCING AUTHORITY (OMWDFINANCING AUTHORITY SEWER REVENUE BONDS SERIES 2018A, OLIVENHAINMUNICIPAL WATER DISTRICT WATER SYSTEM REFUNDING REVENUE BONDS SERIES2016A, AND OMWD FINANCING AUTHORITY WATER REVENUE BONDS SERIES 2009)

Director Kephart moved to receive and accept the staff report, seconded by Director Topolovac and carried unanimously.

ADJOURNMENT

President Watt adjourned the meeting at 4:56 p.m.

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

ATTEST:

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