

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

JANUARY 16, 2019

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, January 16, 2019, at the District office, 1966 Olivenhain Road, Encinitas, California.

President Sprague called the meeting to order at 4:01 p.m. Following the Pledge of Allegiance, the Assistant Secretary called the roll. Directors present were Guerin, Kephart, Sprague, Topolovac, and Watt.

President Sprague 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; John Carnegie, Customer Services Manager; and Stephanie Kaufmann, Executive Secretary.

Also in attendance was consultant Steve Gagnon from Raftelis; District employees Brian Sodeman – Customer Service and Public Affairs Supervisor; Jeff Anderson – Park Supervisor; Teresa Chase – Staff Analyst; and Shawn Patterson – Administrative Assistant.

5. ADOPTION OF AGENDA

General Manager proposed to move agenda item 13 before item 12.

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

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

- * Presentation of Gavel to Past President Watt for the 2017-2018 Term
- * Jonathan Zeller – Park Ranger – 5 years

Director Watt was presented with a gavel and thanked for his Presidency.

Park Ranger Zeller was recognized and thanked for his years of service to the district.

8. CONSIDER APPROVAL OF THE MINUTES OF THE DECEMBER 12, 2018 REGULAR BOARD OF DIRECTORS MEETING

Director Guerin moved to approve the December 12, 2018 meeting minutes, seconded by Director Watt and carried unanimously.

9. CONSIDER APPROVAL OF THE MINUTES OF THE DECEMBER 12, 2018 ANNUAL BOARD OF MEETING OF THE OMWD FINANCE CORPORATION

Director Watt moved to approve the December 12, 2018 OMWD Finance Corporation meeting minutes, seconded by Director Topolovac and carried unanimously.

10. CONSIDER APPROVAL OF THE MINUTES OF THE DECEMBER 12, 2018 BOARD OF DIRECTORS MEETING OF THE OMWD FINANCING AUTHORITY (JOINT POWERS AUTHORITY)

Director Kephart moved to approve the December 12, 2018 OMWD Financing Authority JPA meeting minutes, seconded by President Sprague and carried unanimously.

11. 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 AWARD OF A CONTRACT WITH SUEZ WATER TECHNOLOGIES AND SOLUTIONS IN THE AMOUNT OF \$64,060 FOR ON-SITE FIELD SERVICES TO SUPPORT TRAIN 3 MEMBRANE REPLACEMENT AT THE DAVID C. MCCOLLOM WATER TREATMENT PLANT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

C-d CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 395 FOR 7925 OLD MAN RIVER ROAD (NIXON-MARKS FAMILY TRUST) AND ORDER THE PERMIT BE RECORDED

C-e CONSIDER AN AGREEMENT WITH CAROLLO ENGINEERS FOR ENGINEERING SERVICES DURING CONSTRUCTION FOR THE 4S WATER RECLAMATION FACILITY UV DISINFECTION REPLACEMENT PROJECT IN THE AMOUNT OF \$145,229 AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

C-f CONSIDER APPROVAL OF AN AGREEMENT WITH SILLMAN WRIGHT ARCHITECTS IN THE AMOUNT OF \$120,000 FOR CONSTRUCTION ADMINISTRATIVE SERVICES ON THE NEW AND REMODELED OPERATIONS AND ADMINISTRATIVE FACILITIES PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Topolovac moved to authorize the Consent Calendar, seconded by President Sprague and carried unanimously.

Item 13 was heard next on the agenda.

13. CONSIDER APPROVAL OF AN AGREEMENT BETWEEN OLIVENHAIN MUNICIPAL WATER DISTRICT AND RAFTELIS FINANCIAL CONSULTANTS, INC. IN THE AMOUNT OF \$135,832 FOR WATER AND WASTEWATER COMPREHENSIVE COST OF SERVICE STUDIES AND AUTHORIZE THE GENERAL MANAGER TO SIGN THE AGREEMENT ON BEHALF OF THE DISTRICT

President Sprague moved to approve an agreement with Raftelis for water and wastewater comprehensive cost of service studies and authorize the General Manager to sign on behalf of the District, seconded by Director Watt and carried unanimously.

Item 12 was heard next on the agenda.

12. CONSIDER STAFF PRESENTATION ON PROPOSED 2019 POTABLE AND RECYCLED WATER RATES AND CHARGES (INFORMATIONAL ITEM)

Finance Manager Selamat presented the informational item. Staff will bring the proposal back to the board for final consideration for approval and adoption at the March 6 board meeting.

Item 14 was heard next on the agenda.

14. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (ARTICLE 4 – CLASSIFIED POSITIONS AND ARTICLE 5 – WORKING HOURS – EMPLOYEE BENEFITS)

After discussion, upon motion by Director Watt and a second by Director Topolovac, Ordinance 462 was approved by the following roll call vote:

AYES: Directors Guerin, Kephart, Sprague, Topolovac, and Watt

NOES: None
ABSTAIN: None
ABSENT: None

15. CONSIDER NOMINATIONS FOR THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

Director Topolovac moved to nominate President Sprague for the LAFCO regular special district Commission position, seconded by Director Watt and carried unanimously.

16. CONSIDER DRAFT ANNUAL OBJECTIVES AND INCENTIVE PAY FOR CALENDAR YEAR 2019

Staff Analyst Chase reviewed this item and requested board input. The final annual objectives will be brought to the board for approval on February 13, 2019.

President Sprague moved to approve the objectives, seconded by Director Guerin and carried unanimously.

Director Guerin moved to approve a maximum potential amount of incentive pay of \$7,200 for the General Manager for CY 2019, to be reviewed and determined by the Board at the November 2019 Board Meeting, seconded by Director Topolovac and carried unanimously.

17. CONSIDER APPROVAL OF A CONTRACT WITH WATER QUALITY SPECIALISTS CALIFORNIA IN THE AMOUNT OF \$106,020 TO PROVIDE TEMPORARY CONTRACT OPERATOR SUPPORT FOR THE DAVID C. MCCOLLOM WATER TREATMENT PLANT

Director Watt moved to continue a contract with Water Quality Specialists California (WQSCA) in the amount of \$106,020 for temporary contract operator support at the David C. McCollom Water Treatment Plant (DCMWTP), seconded by Director Kephart and carried unanimously.

18. CONSIDER STATUS UPDATE ON THE 4S RANCH RECYCLED WATER FILL STATION AND STAFF RECOMMENDATION TO SUSPEND OPERATIONS UNTIL MAY 1, 2019

Director Topolovac moved to suspend 4S Ranch Recycled Water Fill Station operations until May 1, 2019, seconded by Director Watt and carried unanimously.

19. CONSIDER APPROVAL OF AN AGREEMENT WITH BALBOA ENGINEERING, INC IN THE AMOUNT OF \$129,000 FOR FINAL DESIGN SERVICES FOR THE PRESSURE ZONE 386 EXPANSION PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Watt moved to approve a Professional Services Agreement with Balboa Engineering, Inc. (Balboa) for final design services for the Pressure Zone 386 Expansion (PZ 386) project in the amount of \$129,000 and authorize the General Manager to sign on behalf of the District, seconded by Director Topolovac and carried unanimously.

20. CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH PURE TECHNOLOGIES IN THE AMOUNT OF \$339,108 FOR ELECTROMAGNETIC CONDITION ASSESSMENT OF THE 24 INCH UNIT B PIPELINE AND THE 27 INCH UNIT K PIPELINE, APPROPRIATE \$50,000 TO THE PROJECT, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Guerin moved to approve a contract with Pure Technologies in the amount of \$339,108, appropriate \$50,000 to the project, and authorize the General Manager to sign on behalf of the District, seconded by Director Kephart and carried unanimously.

21. 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 2017-01

Director Watt moved to adopt Resolution No. 2019-01, seconded by President Sprague and carried unanimously.

22. CONSIDER INFORMATIONAL REPORT ON WATER SUPPLY CONDITIONS AND LONG-TERM WATER USE EFFICIENCY LEGISLATION

Customer Service and Public Affairs Supervisor Sodeman provided the update. This was an informational item. No board action was required.

23. COMMITTEE ASSIGNMENTS TO BE MADE BY BOARD PRESIDENT

Director Sprague moved to approve staff recommendation in addition to the following committee assignments listed below, seconded by Topolovac and carried unanimously.

Standing Finance Committee – Directors Sprague and Watt
Standing Personnel Committee – Directors Guerin and Sprague
Standing Safety Committee – Directors Kephart and Topolovac
Ad Hoc Facilities Subcommittee – Directors Guerin and Watt
Ad Hoc Public Outreach Subcommittee – Directors Sprague and Watt
Ad Hoc Cybersecurity Subcommittee – Directors Topolovac and Watt
Ad Hoc Public Policy Subcommittee – Directors Guerin and Sprague

EFRR Executive Committee – Directors Kephart and Watt
Ad Hoc Conservation Committee – Directors Kephart and Topolovac

24. INFORMATIONAL REPORTS

A. President’s Report

President Sprague had nothing to report.

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 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 the new MWD Chairwoman, Gloria Gray, was sworn in along with the new MWD Vice Chair and CWA Representative, Jerry Butkiewicz.

F. Legislative Report

The Legislative Report was included in the board packet.

G. LAFCO Report

Director Sprague had nothing to report.

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

Carmel Valley Middle School Tour (Dec 18)

Director Topolovac attended the tour.

Safety Committee Meeting (Dec 20)

Directors Topolovac and Watt attended the committee meeting.

Employee Festivus (Dec 20)

Directors Guerin, Topolovac, and Watt attended the event.

Finance Committee Meeting (Jan 10)

Directors Sprague and Watt attended the meeting.

Computer Training (Jan 10)

Director Guerin completed the training.

COWU Breakfast Meeting (Jan 15)

Director Kephart attended the meeting.

25. **CORRESPONDENCE**

Correspondence was provided in the board packet.

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

There were no meetings requiring authorization to attend.

27. **FUTURE AGENDA ITEMS**

The were no future agenda items.

28. **CONSIDER PUBLIC COMMENTS**

There were no public comments.

NOTE: The meeting was in closed session
from 6:17 p.m. to 6:53 p.m.

29. **CLOSED SESSION**

A) CONSIDER A STATUS UPDATE ON THE OMWD-OWNED PROPERTY PROJECT –
CLOSED SESSION [Pursuant to Government Code Section 54956.8]

- PROPERTIES UNDER NEGOTIATION: APN NUMBERS: 257-401-11, 223-081-04, 223-081-05, 223-082-23, 223-082-04, 264-041-27
- NEGOTIATORS: GENERAL MANAGER THORNER, ASSISTANT GENERAL MANAGER RANDALL, AND ENGINEERING MANAGER BRIEST
- UNDER NEGOTIATION: CONSIDER STATUS UPDATE ON THE ABOVE PARCELS

B) CONSIDER CLAIM FROM NEWPORT PACIFIC INC. [PURSUANT TO GOVERNMENT
CODE SECTION 54956.9] • Additional Facts: Claim received on January 4, 2019.

30. OPEN SESSION

There was no reportable Closed Session action.

31. ADJOURNMENT

President Sprague adjourned the meeting at 6:53 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