

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

FEBRUARY 13, 2019

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, February 13, 2019, at the District office, 1966 Olivenhain Road, Encinitas, California.

President Sprague 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, 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; Joseph 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 district employees Brian Sodeman – Customer Service and Public Affairs Supervisor; Teresa Chase – Staff Analyst; Karen Ogawa – Engineering Project Administrator; John Gonzalez – Cathodic Protection Technician; and Shawn Patterson – Administrative Assistant.

5. ADOPTION OF AGENDA

Director Watt moved to adopt the agenda, seconded by Director Kephart and carried unanimously.

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

Customer Steve Linke was in attendance and commented on the upcoming Cost of Service Study and requested staff explore alternative rate structures. His comment letters were distributed to the board and included in the official record. The board thanked Mr. Linke for his comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

- \* Karen Ogawa – Engineering Project Administrator – 15 years
- \* John Gonzales – Cathodic Protection Technician – Lateral

Ms. Ogawa and Mr. Gonzales were congratulated by the board and all in attendance.

8. CONSIDER APPROVAL OF THE MINUTES OF THE JANUARY 16, 2019 REGULAR BOARD OF DIRECTORS MEETING

Director Topolovac moved to approve the January 16, 2019 meeting minutes, seconded by Director Kephart and carried unanimously.

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 ACCEPTANCE OF THE DAVID C. MCCOLLOM WATER TREATMENT PLANT SEWER MANHOLE REHABILITATION PHASE II PROJECT (PIPERIN CORPORATION) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

C-d CONSIDER ACCEPTANCE OF THE 9545 MT. ISRAEL ROAD WATER SERVICE INSTALL PROJECT (TM CONSTRUCTION & DEVELOPMENT, INC.) INTO THE DISTRICT'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

Director Kephart moved to pull agenda item C-e from the Consent Calendar.

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

C-e CONSIDER FINALIZING THE ANNUAL OBJECTIVES FOR CALENDAR YEAR 2019

There was board consensus to have an updated presentation to the full board on the current status of district easements and encroachments.

Director Kephart moved to approve the 2019 annual objectives and stretch objectives, seconded by President Sprague, and carried unanimously.

10. CONSIDER APPROVAL OF AN AGREEMENT WITH RECON ENVIRONMENTAL, INC. IN THE AMOUNT OF \$111,380 TO PREPARE CALIFORNIA ENVIRONMENTAL QUALITY ACT DOCUMENTATION AND OBTAIN RESOURCE AGENCY PERMIT APPROVAL FOR THE LUSARDI CREEK (EXT. 153) RECYCLED WATER PIPELINE RESTORATION PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

President Sprague moved to approve an agreement with RECON Environmental, Inc. in the amount of \$111,380 and authorize the General Manager to sign on behalf of the district, seconded by Director Watt and carried unanimously.

11. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S ADMINISTRATIVE AND ETHICS CODE (Article 4 – Classified Positions; and Article 5 – Working Hours, Employee Benefits; Article 20 – Safety Provisions and Practices)

There was board consensus to ask the General Manager to evaluate Article 5, Section 5.19 of the Administrative and Ethics Code to see if additional language on designated smoking areas and smoking times is warranted.

After discussion, upon motion by President Sprague and a second by Director Kephart, Ordinance 463 was approved by the following roll call vote:

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

12. CONSIDER THE DISTRICT'S FISCAL YEAR 2018-2019 MID-YEAR BUDGET REVIEW

Finance Manager Selamat presented the mid-year budget review.

President Sprague moved to approve the staff-proposed changes to the fiscal year 2018-19 operating and capital budget, seconded by Director Watt and carried unanimously.

13. CONSIDER UPDATE ON ELFIN FOREST RECREATIONAL RESERVE (INFORMATIONAL ITEM)

Park Supervisor Anderson presented the informational report. No action was required.

14. CONSIDER A MULTI-YEAR BUDGET OPTION FOR OLIVENHAIN MUNICIPAL WATER DISTRICT OPERATING AND CAPITAL BUDGET (FISCAL YEARS 2020-21 AND 2021-22)

President Sprague moved to approve an option to convert the district’s budgeting process from an annual budget to a multi-year budget starting with fiscal years 2020-21 and 2021-22, seconded by Director Kephart, and carried unanimously.

15. INFORMATIONAL REPORTS

A. President’s Report

President Sprague reported on the CWEA Tour at the 4SRWRF.

B. General Manager’s Report

General Manager Thorner reported that OMWD won the Association of California Water Agencies’ Most Effective Water Agency on Federal Issues award.

C. Consulting Engineer’s Report

Consulting Engineer MacFarlane’s report was distributed 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 gave a brief update on the budget, CWA retirements, and the ongoing MWD negotiations.

F. Legislative Report

The Legislative Report was included in the board packet. General Manager Thorner gave an update that the Governor included a Water Tax in the Budget Trailer Bill. She also reported that the Governor is not supportive of the twin tunnels but is supportive of one tunnel with a portfolio option. Lastly, she reported that Joaquin Esquivel is the new Chair and Laurel Firestone is the new member of the State Water Resources Control Board.

G. LAFCO Report

President Sprague reported on the SDLAFCO comprehensive fee schedule update. He also reported on SDLAFCO’s clean audit along with a discussion of SDLAFCO’s alternate public member and making the appointment process more transparent.

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

**ACWA JPIA Webinar - Moving From Group to Team (Jan 17)**

Director Kephart attended the training.

**Colorado River Aqueduct System Tour (Jan 18-19)**

Director Kephart attended the tour.

**GM Meeting (Jan 22)**

Director Guerin attended the meeting.

**CWA Comment Meeting (Jan 23)**

Director Guerin attended the meeting.

**Harassment Training (Jan 26)**

Director Kephart attended the training.

**SDS CWEA Awards (Jan 26)**

Directors Kephart and Watt attended the awards banquet.

**Finance Committee Meeting (Jan 30)**

Directors Sprague and Watt attended the committee meeting.

**CSUSM Annual Report to the Community (Feb 7)**

Director Watt attended the event.

**CWEA 4SRWRF Tour (Feb 13)**

Directors Sprague and Kephart attended the tour.

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

Director Watt requested a future agenda item to assess the accessory dwelling unit requirements within our service area, evaluate what proactive role OMWD might take to prepare for the anticipated increase in accessory dwelling units, and report back to the board at the June 19, 2019 meeting. The board concurred.

19. CONSIDER PUBLIC COMMENTS

There were no public comments.

NOTE: The meeting was in recess  
from 6:25 p.m. to 6:48 p.m.

NOTE: The meeting was in closed session  
from 6:48 p.m. to 6:58 p.m.

20. CLOSED SESSION

A) DISCUSSION OF THE WIEGAND PARCELS [Pursuant to Government Code Section 54956.8]

- PROPERTIES UNDER NEGOTIATION: APN NUMBERS: 257-401-11, 223-401-12
- NEGOTIATORS: GENERAL MANAGER THORNER, ASSISTANT GENERAL MANAGER RANDALL, AND ENGINEERING MANAGER BRIEST
- UNDER NEGOTIATION: PRICE AND TERMS 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.

21. OPEN SESSION

Director Watt moved to reject the claim from Newport Pacific Inc; seconded by Director Kephart and carried unanimously.

22. CONSIDER APPROVAL OF A PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS WITH ASPEN GROWTH PROPERTIES, INC. FOR THE PURCHASE OF THE WIEGAND PARCEL AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT

Director Topolovac moved to approve a Purchase and Sale Agreement and escrow instructions with Aspen Growth Properties, Inc. for the purchase of the Wiegand Parcel, seconded by Director Kephart and carried unanimously.

23. ADJOURNMENT

President Sprague adjourned the meeting at 7:01 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