

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

August 14, 2024

A regular meeting of the Board of Directors of Olivenhain Municipal Water District was held on Wednesday, August 14, 2024, at the district office, 1966 Olivenhain Road, Encinitas, California.

President Guerin 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, Hahn, Meyers, San Antonio, and Watt.

President Guerin 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; Jennifer Joslin, Human Resources Manager; John Carnegie, Customer Services Manager; Lindsey Stephenson, Engineering Manager; Jesse Bartlett-May, Operations Manager; Steve Weddle, Engineering Services Supervisor; Brian Sodeman, Customer Service and Public Affairs Supervisor; Leo Mendez, Accounting Supervisor; Teresa Chase, Administrative Analyst; Melody Colombo, Administrative Analyst; Stephanie Kaufmann, Executive Secretary; and Robert Kreutzer, Department Assistant.

5. ADOPTION OF AGENDA

Director Watt moved to adopt the agenda, seconded by Director Meyers, and approved unanimously.

6. PERSONAL APPEARANCES AND PUBLIC COMMENTS

There were no personal appearances or public comments.

7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

Service Awards, Promotions, and Honorable Mentions

- * Salden Stone – Utility II – Promotion
- * Tim Schuette – Safety/Risk Compliance Administrator – 5 Years
- * Chris Bumcrot – Inspector II – 15 Years
- * Dan Nevitt – Instrument Control Technician II – 20 Years
- * Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

The employees were congratulated on their years of service and promotion.

Accounting Supervisor Mendez presented the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting to the board.

8. CONSIDER APPROVAL OF THE MINUTES OF THE JULY 17, 2024, REGULAR BOARD OF DIRECTORS MEETING

Director Meyers moved to approve the minutes of the July 17, 2024, Regular Board of Directors meeting, seconded by Director Watt, and approved 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
C-b	CONSIDER ACCEPTANCE OF THE 6398 CLUBHOUSE DRIVE WATER SERVICE INSTALL (DEL MAR ESTATE INVESTMENTS, LLC.) INTO OMWD’S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED

Director Watt moved to approve the Consent Calendar, seconded by President Guerin, and approved unanimously.

10. CONSIDER ADOPTING A POSITION ON CALIFORNIA PROPOSITION 4: THE SAFE DRINKING WATER, WILDFIRE PREVENTION, DROUGHT PREPAREDNESS, AND CLEAN AIR BOND ACT OF 2024

Administrative Analyst Colombo presented the report.

President Guerin moved to adopt a position of “Watch” on California Proposition 4: The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, seconded by Director Meyers, and approved unanimously.

11. CONSIDER DISCUSSION AND APPROVAL OF PRE-BUYING 3,449 ACRE FEET OF WATER AND PLACING IT INTO STORAGE IN DECEMBER 2024

Accounting Supervisor Mendez presented the report.

Director Meyers moved to approve pre-buying 3,449-acre feet of water from the San Diego County Water Authority and placing it into storage in December 2024, seconded by Director Watt, and carried unanimously.

12. CONSIDER APPROVAL OF A CONTRACT WITH J.R. FILANC CONSTRUCTION COMPANY, INC. IN THE AMOUNT OF \$1,899,728 FOR THE CONSTRUCTION OF THE GARDENDALE AND VILLAGE PARK WEST PRESSURE REDUCING STATION REPLACEMENT PROJECT, APPROPRIATE AN ADDITIONAL \$600,000 TO THE PROJECT FROM CAPITAL RESERVE FUND, AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD

Engineering Manager Stephenson presented the report.

Director Watt moved to award a contract to J.R. Filanc Construction Company, Inc. in the amount of \$1,899,728 for construction of the Project, to appropriate an additional \$600,000 to the Project from the Capital Reserve Fund, and authorize the General Manager to sign on behalf of OMWD, seconded by Director Hahn, and carried unanimously.

13. CONSIDER DRAFT SUMMARY OF THE 2024 POTABLE AND RECYCLED WATER MASTER PLAN UPDATE AND RECEIVE INPUT FROM THE BOARD

Engineering Manager Stephenson presented the informational report.

14. CONSIDER SETTING A TIME AND PLACE FOR A PUBLIC HEARING TO RECEIVE PUBLIC COMMENT REGARDING THE PROPOSED INCREASES TO OLIVENHAIN MUNICIPAL WATER DISTRICT (OMWD) WATER CHARGES BEGINNING WITH JANUARY 1, 2025 WATER CONSUMPTION AND AN ORDINANCE AUTHORIZING OMWD TO PASS THROUGH ANY INCREASES IN PURCHASED WHOLESALE WATER COSTS, INCREASES TO SAN DIEGO COUNTY WATER AUTHORITY INFRASTRUCTURE ACCESS CHARGE, INCREASES TO OMWD'S COST OF OPERATIONS, MAINTENANCE, AND CAPITAL FACILITIES BASED ON CHANGES IN CPI (Public Hearing tentatively scheduled for October 16, 2024 – 5:30 p.m.)

Director Watt moved to set the public hearing for October 16, 2024 at 5:30 p.m., to approve the release of the Proposition 218 Notice and Report to receive public comment regarding OMWD staff's proposal to adopt increases to OMWD's water charges beginning on January 1, 2025, and the proposed pass-through increases as described in the notice, seconded by Director Meyers, and approved unanimously.

15. PUBLIC HEARING TO CONSIDER IMPLEMENTATION OF PHASE TWO OF THE FIVE-YEAR PHASE-IN PROGRAM OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S CAPACITY FEES FOR 2024 (5:30 p.m.)

President Guerin announced that this was the time and place for a public hearing to consider the OMWD's water capacity fees for 2024.

General Manager Thorner stated that the district evaluates capacity fees on an annual basis to determine if appropriate funds are being collected to fund necessary capital expansion, replacement, and betterment projects. A Water Capacity Fee Study completed by Raftelis in 2023 is the basis for calculating the proposed changes to the district's water capacity fees. The reason for these proposed changes is to adjust the district's water capacity fees to reflect the value on the district's assets based on the total system capacity and the revised estimate of pipeline replacement costs. The proposed changes include a 5-year phase-in with an Engineering News Record (ENR) – Construction Cost Index (CCI) Adjustment in years 2, 3, 4, and 5. OMWD is currently in year 2 of the 5-year phase-in. Revenue generated from water capacity fees will be issued to repay debt issued to finance water infrastructure based on total system capacity, and to provide the funds for planned water replacement and improvement projects.

There were not any members of the public in attendance who wished to speak, and there were no comments received from the public.

President Guerin announced that the Public Hearing was closed and reconvened the meeting of the Board of Directors.

16. INFORMATIONAL REPORTS

A. President’s Report

President Guerin did not have a report this month.

B. General Manager’s Report

General Manager Thorner’s report was included in the board packet.

C. Consulting Engineer’s Report

Consulting Engineer MacFarlane did not have a report this month.

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 (SDCWA) Report

SDCWA representative Meyers reported on adopted rates and charges at SDCWA for Calendar Year 2025.

F. Legislative Report

The Legislative Report was included in the board packet.

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

Conference Call with the General Manager RE: SDCWA Board Meeting (July 19)

Director Meyers had a call with the General Manager.

Conference Call with the General Manager RE: Prep for Senator Blakespear (July 23)

Director Watt had a call with the General Manager.

Meeting with Senator Blakespear (July 24)

Director Watt attended the meeting.

Safety Committee Meeting (July 24)

Directors Hahn and Meyers attended the meeting.

Conference Call with the General Manager RE: Rate Issues (July 25)

Director Meyers had a call with the General Manager.

Conference Call with the General Manager RE: OMWD Issues (July 26)

Director Watt had a call with the General Manager.

Conference Call with the General Manager RE: OMWD Issues (July 26)

Director Guerin had a call with the General Manager.

California Special Districts Association Outreach Interview (July 29)

Director San Antonio attended the interview.

Kid's Day (July 31)

Director Watt attended the event.

Conference Call with the General Manager RE: OMWD Matters (Aug 1)

Director Watt had a call with the General Manager.

Conference Call with the General Manager RE: OMWD Update (Aug 7)

President Guerin had a call with the General Manager.

Lakeside Water District 100-year Celebration (Aug 10)

Director Meyers attended the event.

Finance Committee Meeting (Aug 12)

Directors Meyers and Watt attended the meeting.

13) California Special Districts Association Webinar - Demystifying LAFCOs (Aug 13)

Director San Antonio attended the webinar.

Board Meeting Pre-Briefing (Aug 13)

Director Guerin attended the meeting.

H. **Board Comments**

There were no board comments.

17. **CORRESPONDENCE**

Correspondence was provided in the board packet.

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

There were no meetings requiring authorization to attend.

19. **FUTURE AGENDA ITEMS**

There were no future agenda items added.

20. **CONSIDER PUBLIC COMMENTS**

There were no additional public comments.

NOTE: The meeting was in Recess
from 6:45 p.m. to 7:00 p.m.

NOTE: The meeting was in Closed Session
from 7:00 p.m. to 7:13 p.m.

21. **CLOSED SESSION**

A) **CONSIDER LITIGATION – OLIVENHAIN MUNICIPAL WATER DISTRICT v. COUNTY OF SAN DIEGO [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]**

B) **CONSIDER LITIGATION – STANLEY D. JONES ET AL. VS. OLIVENHAIN MUNICIPAL WATER DISTRICT [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]**

22. **OPEN SESSION**

General Counsel Smith stated that there was no reportable action from Closed Session.

23. ADJOURNMENT

President Guerin adjourned the meeting at 7:14 p.m.

Christy Guerin, President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

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