



MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE EAST ORANGE COUNTY WATER DISTRICT (EOCWD)

March 19, 2020

**1. Call to Order.** A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by President DOUGLASS DAVERT at 5:00 p.m. on Thursday, March 19, 2020, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California, with Director DULEBOHN leading the Pledge of Allegiance. JEFF HOSKINSON, Secretary, recorded the minutes of the meeting, attending via videoconference.

The following Directors were present: RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN, GEORGE MURDOCH, and JOHN SEARS. Directors BELL and SEARS attended via videoconference pursuant to Governor Newsom’s Executive Order No. N-25-20.

Also present were:

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JEFF SMYTH	Engineering Manager
JEFF HOSKINSON	District Secretary and Legal Counsel
DAVID SOLDANI	Atkinson, Andelson, Loya, Ruud & Romo (Via Video)

**2. Public Communications to the Board.** None.

**3. Addition of Items Arising After Posting of Agenda Requiring Immediate Action.**  
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present)

**ACTION TAKEN:**

The Board, upon motion duly seconded, unanimously determined to add to the agenda a Resolution Relative to Emergency Actions in Response to Coronavirus (COVID-19) to Item 5(A) on the Agenda, based on a need to take immediate action that came to the District’s attention after the posting of the Agenda. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**\*\* The Board next heard Item 5(F) out of order, before returning to the balance of the agenda.**

**5. Operation, Management and Construction Matters.**

**F. California Voting Rights Act Resolution of Intent.** General Manager Lisa Ohlund introduced the item, providing a background as to the California Voting Rights Act (“CVRA”) and noting that the impetus for the item was the fact that several local water districts, including Irvine Ranch Water District and South Coast Water District had received demand letters asserting a need to transition to district-based, rather than district-wide

elections. Ms. Ohlund then introduced Mr. David Soldani of Atkinson, Andelson, Loya, Ruud & Romo (“AALRR”) to provide an overview of the CVRA.

Mr. Soldani provided an overview of the CVRA and summary of the demand letter process in the event a letter were received, including the general timeline and various fee schedules. Mr. Soldani also explained the streamlined process for water districts, and discussed various issues that currently exist in light of both awaiting the 2020 census data and difficulties existing in light of COVID-19.

President DAVERT sought clarification, confirming that if a letter were received, the District risked the same demographer and direct attorney fees in transitioning the voting method it would in either case, but also risked being responsible for the attorney fees associated with the sender of the letter; Mr. Soldani affirmed President Davert’s statement, noting that the District risked these fees and additional fees if we were unable to accomplish the task within 90 days of receipt of the demand letter

**ACTION TAKEN:** The Board, upon motion by SEARS, seconded by BELL, unanimously approved Resolution No. 873 entitled, “RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT DECLARING ITS INTENTION TO TRANSITION FROM AT-LARGE TO BY-DIVISION ELECTIONS AND ESTABLISHING THE PROCESS FOR TRANSITIONING TO BY DIVISION ELECTIONS.” Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**\*\* The Board then returned to the balance of the Agenda in Order**

**4. Consent Calendar.**

At the request of President DAVERT, Item 4(F) was pulled from the Consent Calendar for separate consideration. As to the balance of the Consent Calendar, the Board, on motion from SEARS, approved that the Consent Calendar items be adopted by unanimous vote as follows:

- A. Minutes: THE MINUTES OF THE FEBRUARY 13, 2020 REGULAR MEETING OF THE BOARD WERE APPROVED AS SUBMITTED;**
- B. General Manager’s Report: THE GENERAL MANAGER’S REPORT WAS RECEIVED AND FILED;**
- C. Independent Special Districts of Orange County (“ISDOC”) Recommended Orange County Local Agency Formation Commission (“LAFCO”) Dues Allocation Plan: THE BOARD APPROVED THE REVISED LAFCO DUES STRUCTURE AND DIRECTED STAFF TO REPORT THE VOTE TO THE ISDOC EXECUTIVE COMMITTEE AND LAFCO;**
- D. Meyers-Nave Rate Increase Request: THE BOARD APPROVED THE RATE INCREASE AS PRESENTED EFFECTIVE FOR APRIL 2020 BILLINGS, THAT ACCOUNT NO. 5265-10 AND ACCOUNT NO. 5265-20 BE INCREASED BY**

\$50,000 EACH, AND THAT FUNDING FOR THESE COSTS BE TAKEN FROM THE RESPECTIVE RESERVE FUNDS;

- E. Best, Best & Krieger (“BBK”) Retention Agreement: THE BOARD RATIFIED THE RETENTION AGREEMENT AS PRESENTED, FOR PURPOSES OF ASSISTING THE DISTRICT WITH CELLULAR SITE ISSUES AT THE VISTA PANORAMA RESERVOIR;**
- G. Commendation Resolution for Marc Marcantonio: THE BOARD APPROVED RESOLUTION ENTITLED, ‘A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT COMMENDING MARC MARCANTONIO FOR HIS YEARS OF LOYAL DEDICATED SERVICE TO THE YORBA LINDA WATER DISTRICT’;**
- H. Letter of Appreciation to City of Anaheim, Municipal Water District of Orange County (“MWDOC”) and Irvine Ranch Water District for Assistance During the Metropolitan Water District of Southern California (“MET”) Shutdown (“IRWD”): THE BOARD ACKNOWLEDGED THE DISTRICT’S APPRECIATION TO THE CITY OF ANAHEIM, MWDOC, AND IRWD;**
- I. Notice of Exemption – Barrett Reservoir Recoating: THE BOARD APPROVED THE NOTICE OF EXEMPTION FOR THE BARRETT RESERVOIR RECOATING PROJECT;**
- J. Per- and Poly-Fluoroalkyl Substances (“PFAS”) Status Report: THE BOARD RECEIVED AND FILED THE REPORT.**

The Board then separately considered Agenda Item 4(F)L

**F. Surplus Materials & Equipment Declaration.** Ms. Ohlund provided background on this item, including a specific discussion highlighting the inclusion of 2013 iPads, which were used by members of the Board, but needed to be replaced to allow for updates necessary to conduct District meetings electronically. The older iPads are not really functional, such that little to no value in selling. Accordingly, the District will be offering them to Board members for \$25, and if not purchased and they are working, will donate them.

**ACTION TAKEN:**

The Board, on motion by MURDOCH, seconded by DULEBOHN, unanimously declared the attached items surplus and directed Staff to dispose of them in an environmentally sound and fiscally responsible manner, except that the 2013 iPads used by Board members shall be offered to the members for \$25 before surplus. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**5. Operation, Management and Construction Matters.**

**A. Pandemic Response Plan.** Ms. Ohlund introduced the item and Eric O’Donnell of Townsend and Associates, recognizing Townsend as a critical resource for keeping the District apprised of COVID-19 actions taken in Sacramento.

Mr. O’Donnell then presented to the Board, providing an overview of the State and Federal legislative and administrative efforts and actions relative to COVID-19. Mr. O’Donnell discussed that despite the shutdown in Sacramento of the Assembly and Senate, that the June budget deadlines cannot be moved—and moving the deadlines is something that has not been done before. Mr. O’Donnell also discussed State efforts for federal assistance, and the anticipation that the State’s anticipated budget surplus will likely be entirely erased.

Ms. Ohlund next discussed the Resolution added to the agenda, per the earlier action of the Board—and the advantages of its adoption, including providing certain emergency authorities if and when necessary. Ms. Ohlund discussed that the County’s emergency declaration covers the District for funding from the Federal Emergency Management Agency (“FEMA”).

Director DULEBOHN asked whether the Board would be required to take that authority back, to which Ms. Ohlund responded that it would in a future resolution following the end of the emergency, or such other time deemed appropriate by the Board.

Ms. Ohlund also discussed the District’s current plan and status relative to COVID-19, including system operations and contingencies. Ms. Ohlund also referenced the District’s efforts checking in on senior citizen customers, and that more customers had been paying in person, happy to see the District still operating. Ms. Ohlund noted that the coming week, however, the District would likely need to close its office to outside traffic.

Ms. Ohlund also provided an update relative to the County status.

**ACTION TAKEN:**

The Board, on motion by Dulebohn, seconded by Sears, unanimously approved Resolution No. 874 entitled, “RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT DECLARING THE EXISTENCE OF A LOCAL EMERGENCY REGARDING NOVEL CORONAVIRUS (COVID-19), SEEKING ALL AVAILABLE FINANCIAL AID FROM FEDERAL, STATE AND COUNTY AUTHORITIES, AUTHORIZING THE GENERAL MANAGER TO TAKE STEPS TO PROTECT PUBLIC HEALTH AND SAFETY, TAKE ACTIONS CONCERNING EOCWD PERSONNEL AND INCREASING PURCHASING AUTHORITY OF THE GENERAL MANAGER.” Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**B. Temporary PFAS Treatment System – Budget Amendment and Project Delivery Method Discretion.** Ms. Ohlund introduced the item and District Engineering Manager, Jeff Smyth, present to discuss. Ms. Ohlund explained the background of the item, including that OCWD is generally agreeable to reimbursing costs of temporary PFAS Treatment, if used in the ultimate permanent treatment system. However, the Operation and Maintenance costs for the system are rapidly exceeding the costs OCWD is willing to reimbursement (based on their 50% reimbursement for up to \$75/acre-foot). If OCWD can agree to pick up more of the costs, or they can be mitigated, Ms. Ohlund would like to have the authority to put things in motion for treatment. Ms. Ohlund provided an overview of the treatment system and its anticipated costs, and its hopeful timeline of June 30, 2020, depending on whether the District is the first or second system permitted by the California Department of Drinking Water, and delays associated with COVID-19.

Ms. Ohlund and the Board had conversation relative to estimated treatment costs, which amounted to approximately \$150-\$175 an acre-foot, which may approach nano-filtration costs. Director BELL indicated that the Engineering and Operations Committee supported the amendment.

**ACTION TAKEN:**

The Board, upon motion by BELL and seconded by DULEBOTH, unanimously approved the budget amendment of \$1,805,774.00, relative to the Temporary PFAS Treatment System, authorized Staff to utilize their discretionary judgment in determining which delivery/procurement method to use, and approved the Notice of Exemption for the Temporary PFAS Treatment System. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**C. Sewer Master Plan Addendum – Award of Contract to AKM Consulting Engineers.**

**ACTION TAKEN:**

The Board, upon motion by BELL, seconded by DULEBOHN, unanimously approved that the Board award a contract in an amount not to exceed the amount of \$75,640 to AKM Consulting Engineers for purpose of completing the sewer master plan addendum, and amended the ID1 Capital Improvement Program budget by increasing Account No. 73007E3 by a total of \$45,640. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**D. Santiago Aqueduct Commission (“SAC”) Representation.** Ms. Ohlund presented the background of the item, including history of membership on the SAC, and transfer of MWDOC’s interests such that EOCWD remained the sole remaining entity with an interest that used to be shared by multiple agencies. Director BELL suggested adding to the letter suggesting that MWDOC remain present in an advisory function, even if EOCWD seated as a member of the SAC, and it was agreed that the District could convey that information.

**ACTION TAKEN:**

The Board, on motion duly brought and seconded, unanimously approved that the Board recommend to the MWDOC Board of Directors and the Santiago Aqueduct Commission (“SAC”) that EOCWD be seated as the SAC Member representing the District’s interests in the Baker Pipeline. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**6. Financial Matters.**

- A. Approval of schedules of disbursements.**
- B. Report on investments/ratification of investment activity.**
- C. Receipt and filing of financial statements (January 31, 2020)**

Ms. Ohlund commented on investments, and that the District’s portfolio was structured around this type of situation relative to the COVID-19 stock market issues. Director BELL expressed caution in light of potential for the worst economic quarter in the history of the United States. Ms. Ohlund agreed to report further in April.

**ACTION TAKEN:**

The Board, on motion by SEARS seconded by DULEBOHN, unanimously approved the Schedules of Disbursements as submitted, unanimously approved and ratified the Schedules of Investments, and unanimously received and filed the Financial Reports and Statements. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.

**7. Miscellaneous Matters.**

- A. Wholesale and Retail Water Usage Report – February 2020.**

**ACTION TAKEN:**

On motion by MURDOCH, seconded by DULEBOHN, the Board unanimously received and filed the Wholesale Zone and Retail Zone Water Usage Report. Such action was accomplished via roll-call vote, with Directors BELL, DAVERT, DULEBOHN, MURDOCH, and SEARS voting in the affirmative.



**B. Directors' reports on meetings attended at District expense (Government Code Section 53232.3) and Directors' comments. Directors or staff may ask questions for clarification, make brief announcements, and make brief reports on their own activities. Directors may provide a reference to staff or other resources for factual information, request staff to report back at a subsequent meeting concerning a matter, or direct staff to place a matter on a future agenda (Government Code § 54954.2).**

Director BELL indicated that he attended the Urban Water Institute ("UWI"), and commended the presentations.

Director SEARS attended: (1) Foothill Community Association Townhall meeting (3/2); (2) election night with Don Wagner (3/3); (3) the Water Agencies of Orange County ("WACO") meeting (3/6); the North Tustin Fire Safe Counsel (3/10); and EOCWD Finance Committee meeting (3/13).

Director MURDOCH attended UWI, as well as the Association of California Water Agencies ("ACWA") Membership Committee meeting. Mr. MURDOCH indicated that ACWA meetings were all videoconference now. Director MURDOCH also announced that the ACWA Conference would now be held July 28 through 31, 2020, as opposed to the original May dates.

Director DULEBOHN had nothing to report.

Director DAVERT attended UWI, as well as the Foothill Community Association meeting and Election Night event. Director DAVERT reminded Board members to check in on their AB 1234 Ethics Training.

**C. Monthly Legislative & Outreach Report.** Ms. Ohlund referred to Eric O'Donnell's and John Lewis's written reports.

## **8. Informational Items.**

**A. General interest publications.** Ms. Ohlund briefly noted that groundwater rights issues are seeming to brewing throughout the state, particularly in the Central Valley; these issues will ultimately affect all urban surface and groundwater users.

## **9. Closed Session**

- A. Closed Conference with Legal Counsel – Anticipated Litigation - Initiation of Litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: one matter.**
- B. Closed Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9 *AT&T and T-Mobile Communications (Vista Panorama)*.**
- C. Open session: Report Out of Closed Session. The Board reported that no reportable action was taken.**



10. **Adjournment.**

**ACTION TAKEN:**

The meeting was adjourned at 6:37 p.m. to a regular meeting to be held at 5:00 p.m. on Thursday, April 16, 2020, at the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

  
\_\_\_\_\_  
Jeffrey A. Hoskinson