

MINUTES OF THE JOINT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
AND MEETING OF CFD 2018-1 THE EAST ORANGE COUNTY WATER DISTRICT

July 19, 2018

**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, Director, at 5:00 p.m. on Thursday, April 19, 2018, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California, with Director JOHN SEARS leading the Pledge of Allegiance. JEFF HOSKINSON, Secretary, recorded the minutes of the meeting.

The following Directors were present: DOUGLASS DAVERT, JOHN DULEBOHN, and JOHN SEARS. Directors RICHARD BELL and SEYMOUR EVERETT were absent from the meeting. Also present were:

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JERRY MENDZER	Operations Manager
JEFF HOSKINSON	District Secretary and Legal Counsel
STEVE ANDERSON	Steve Andersen Engineering (SAE)
MARILYN THOMS	Project Management Solutions
NICHOLAS ARMONTES	Consultant
BRAD NEAL	Stradling, Yocca, Carlson & Rauth
DIANN PAY	AKM
ZEKI KAYIRAN	AKM
SHAWN DEWANE	Raymond James
ANNA SARABIAN	FRA

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

**3. Items Arising After Posting of Agenda.** None.

**4. Consent Calendar.**

The Board, on a motion by SEARS, seconded by DULEBOHN, adopted by unanimously vote of those members present, the consent calendar items as follows:

- A. Minutes: "THE MINUTES OF THE JUNE 21, 2018 REGULAR MEETING OF THE BOARD AND THE JULY 9, 2018 SPECIAL MEETING OF THE BOARD WERE APPROVED AS SUBMITTED."
- B. General Manager's Report: "THE GENERAL MANAGER'S REPORT WAS RECEIVED AND FILED."

**\*\* Item 7(D) was heard out of order, before returning to the regular Agenda**

## 7. Miscellaneous Matters.

D. Investment Activity Review: Mr. Shawn Dewane of Raymond James Financial Services, Inc., following an introduction by General Manager Ohlund, made a presentation on investment performance activity, reporting a current yield of 2.91%, outperforming the Local Agency Investment Fund (LAIF).

### ACTION TAKEN:

The Board, following the presentation and discussion, on motion by DULEBOHN, seconded by SEARS, unanimously voted among those members present to receive and file the Investment Activity Report.

## 5. Community Facilities District (“CFD”) 2018-1 of EOCWD - For Item Nos. 5(A) and 5(B), the Board met and acted as the Legislative Body of CFD 2018-1 of EOCWD

A. Ordinance No. 2018-1: The Board conducted a second reading and adoption of Ordinance No. 2018-1, whereby the Board elected to present the Ordinance for second reading by title only, and that the Secretary forego the reading of the entire ordinance. Secretary Hoskinson read Ordinance No 2018-1 by title only.

### ACTION TAKEN:

The Board, on motion by SEARS, seconded by DULEBOHN, unanimously voted among those members present (1) that Ordinance No. 2018-1 would be presented for second reading by reading of the title only, and that the Secretary would forego the reading of the entire ordinance; and (2) to adopt Ordinance No. 2018-1, as presented.

B. Trust Indenture Agreements for Series 2018A and 2018B, and Consideration of Resolution No. 834 - Authorizing the Issuance of 2018 Special Tax Bonds in a Principal Aggregate Principal Amount Not to Exceed of \$700,000 and Approving Certain Documents and Taking Certain Other Actions in Actions in Connection Therewith. General Manager Ohlund made a brief presentation, updating the Board that after conference, she learned that the sole “no” vote to Proposition B on the ballot was the result of an error.

### ACTION TAKEN:

The Board, on motion by DULEBOHN, seconded by SEARS, voted unanimously among those members present to adopt Resolution No. 834, entitled, “Resolution of the Board of Directors of East Orange County Water District, acting as the legislative body of Community Facilities District No. 2018-1 of the East Orange County Water District, authorizing the issuance of its 2018 special tax bonds in a principal aggregate principal amount not to exceed Seven Hundred Thousand Dollars (\$700,000) and approving certain documents and taking certain other actions in connection therewith.”

## 6. Operation, Management and Construction Matters.

A. Improvement District No. 1 (ID1) (Sewer) Master Plan and Condition Assessment: General Manager Ohlund made a brief presentation, indicating that the Master Plan was prepared due to a requirement of the Orange County Local Agency Formation Commission and EOCWD's recommendations, as OCSD-7 had never had a master plan prepared for it. Diann Pay and Zeki Kayiran of AKM presented the plan.

### ACTION TAKEN:

The Board, on a motion by DULEBOHN, seconded by SEARS, which carried unanimously among those members present, accepted the ID1 Sewer Master Plan and Condition Assessment and directed staff to implement its recommendations subject to the California Environmental Quality Act.

## 7. Financial Matters.

- A. Approval of schedules of disbursements.
- B. Report on investments/ratification of investment activity.
- C. Receipt and filing of financial statements (May 31, 2018).

### ACTION TAKEN:

The Board, on motion by SEARS, seconded by DULEBOHN, which carried unanimously among those Board members present, (1) approved the schedules of disbursements as submitted; (2) ratified and approved the schedule of investments, as presented; and (3) received and filed the financial statements.

## 8. Miscellaneous Matters.

A. Wholesale and Retail Water Usage Report – June 2018. Ms. Ohlund presented the retail water usage report.

### ACTION TAKEN:

Upon motion by DULEBOHN, seconded by SEARS, which carried unanimously among those members present, the Board received and filed the wholesale and retail water usage report.

B. Conference and Meeting Attendance Requests. The Board discussed attendance at the California Special Districts Association ("CSDA"), and authorized attendance of Directors DAVERT and SEARS, as well as General Manager Ohlund, though Director DAVERT will not require lodging.

C. Director's Reports on Meetings Attended at District Expense (Govt. Code § 53232.3.) and Director's Comments. Directors discussed the upcoming meeting schedule, with General Manager Ohlund reporting that she will return with a schedule in August, with the potential for the Board to be dark in October. Director SEARS reported attendance at the Foothill Community Association meeting (7/5), Water Advisory OC (7/6), EOCWD meeting on sewers (7/9), North Tustin Council Meeting, and the Orange County Water District, where he spoke on behalf of Desal with personal views, not that of the agency. Directors DULEBOHN and DAVERT attended ISDOC, and Director DAVERT attended Orange County LAFCO as part of his regular LAFCO duties.

D. Regional/State Issues. General Manager Ohlund reported that the District was monitoring Senate Bill ("SB") 998, relative to restrictions on residential water shutoff for non-payment. Brief discussion relative to SB 998.

## 9. Informational Items

A. General interest publications. General Manager Ohlund commented briefly on State Water Resources Control Board ("SWRCB") actions relative to environmental reserve water, and thousands of acres of water out of production.

## 10. Adjournment.

### ACTION TAKEN:

The meeting was adjourned at 5:56 p.m., to a regular meeting to be held on August 16, 2018, at 5:00 p.m., at the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

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Jeff Hoskinson