

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

September 20, 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, September 20, 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: RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN, and JOHN SEARS. Director SEYMOUR EVERETT was absent for the commencement of the meeting, but joined the meeting at the time indicated in the minutes below. Also present were:

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JERRY MENDZER	Operations Manager
JULIAN DELUO	East Orange County Water District
JEFF HOSKINSON	District Secretary and Legal Counsel
GEORGE MURDOCH	Public
STEVEN ANDREWS	Steven Andrews Engineering
NICK ARHONTES	Consultant
JOHN LEWIS	Lewis Consulting
TOM BROZ	Citizens Advisory Panel

2. Public Communications to the Board. None.

3. Items Arising After Posting of Agenda. Ms. Ohlund brought one item to the attention of the Board, that came to the District's attention after the posting of the agenda and that would require action before the Board's next regular meeting. Specifically, Ms. Ohlund indicated that the District received notice of the Municipal Water District of Orange County's 2018 Water Policy Forum and Dinner, to be held on October 11, 2018, and requested that the forum and dinner be added to the agenda under Item 7B relative to Conference and Meeting Requests.

ACTION TAKEN:

The Board, on a motion by SEARS, seconded by BELL, which carried unanimously among those members present, determined that the MWDOC 2018 Policy Forum and Dinner came to the District's attention after the posting of the agenda, that immediate action was necessary as the forum and dinner will occur before the next regularly scheduled meeting of the Board, and that the item would be added to Agenda Item 7(B).

4. Consent Calendar.

At the request of the General Manager and Legal Counsel, Item 4(G) was pulled from the consent calendar to be heard separately. The Board, on a motion by BELL, seconded by SEARS, adopted the balance of the Consent Calendar by unanimous vote of those members present the consent calendar items as follows:

- A. Minutes: THE MINUTES OF THE AUGUST 16, 2018 REGULAR MEETING OF THE BOARD WERE APPROVED AS SUBMITTED.
- B. General Manager's Report: THE GENERAL MANAGER'S REPORT WAS RECEIVED AND FILED.
- C. Conflict of Interest Code – Biennial Review 2018: THE BOARD APPROVED RESOLUTION NO. 837, ENTITLED “RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT ADOPTING A CONFLICT OF INTEREST CODE WHICH SUPERSEDES ALL PRIOR CONFLICT OF INTEREST CODES AND AMENDMENTS PREVIOUSLY ADOPTED.”
- D. Request to Join SustainOC as a Government Member: THE BOARD APPROVED THE DISTRICT JOINING SUSTAINOC AS A GOVERNMENT MEMBER AND AUTHORIZED THE TRANSFER OF CONTINGENCY FUNDS IN THE AMOUNT OF \$330 FROM THE WHOLESALE ZONE, \$330 FROM THE RETAIL ZONE, and \$340 FOR THE ID1 ZONE FOR MEMBERSHIP DUES.
- E. Request to Amend Wholesale Zone and Retail Zone Capital Improvement Budget: THE BOARD APPROVED AN AMENDMENT TO THE WHOLESALE ZONE BUDGET (“WHOLESALE BUDGET”) AND RETAIL ZONE CAPITAL IMPROVEMENT BUDGET (“RETAIL BUDGET”) TO INCREASE BUDGET FOR 2019 DODGE DIESEL TRUCK WITH SERVICE BODY AND CRANE, SHELVING, AND POWERED LIFT GATE BY \$10,000, DIVIDED AS \$4,500 TO THE WHOLESALE BUDGET AND \$5,500 TO THE RETAIL BUDGET.
- F. INTRODUCTION OF NEW EMPLOYEES: Information only

With respect to Item 4(G), which was pulled from the Consent Calendar for separate consideration:

G. Modification of Employer Payment of Employee Contribution to Public Employees' Retirement System: Mr. Hoskinson indicated that Section 1 of the proposed Resolution No. 838 inadvertently indicated an effective date of November 27, 2018, as opposed to November 5, 2018, as intended.

ACTION TAKEN:

The Board, on a motion by SEARS, seconded by BELL, which carried unanimously among those members present, approved Resolution No. 838 entitled, "RESOLUTION OF THE BOARD OF DIRECTORS OF EAST ORANGE COUNTY WATER DISTRICT MODIFYING EMPLOYER PAYMENT OF EMPLOYEE CONTRIBUTION TO PUBLIC EMPLOYEES' RETIREMENT SYSTEM," with an amendment to Section 1 to reflect an effective date of November 5, 2018.

5. Operation, Management and Construction Matters.

A. Administrative and Operations Facility Improvement Status Report: Ms. Ohlund made a brief presentation on the status of the Administrative and Operations Facility Project status in design.

ACTION TAKEN:

None. Information only.

B. Request for Special Workshop Board Meeting In-Lieu of Regular Board Meeting on October 18, 2018. Ms. Ohlund made a brief presentation, as to those items referenced in the Board packet that would be special topics on the proposed Workshop meeting.

ACTION TAKEN:

The Board, on motion by SEARS, seconded by BELL, which carried unanimously among those members present, approved the scheduling of a Special Workshop meeting on October 18, 2018, at 5:00 p.m., in-lieu of the Regular Meeting on the same date, with staff to provide the necessary notice.

C. Vista del Lago Septic to Sewer Status Report and Acceptance of Easement: Ms. Ohlund presented the item, explaining that Vista del Lago residents were looking at starting construction next month. One of the necessary steps was the granting of an easement to the District over Carol Way, in which residents will lose portions of their property where they will not be permitted to encroach.

ACTION TAKEN:

The Board, on motion by SEARS, seconded by DULEBOHN, which carried unanimously among those members present, received and filed the status report on the Vista del Lago homeowners, and authorized staff to accept and record an easement from Vista del Lago homeowners for those portions of the sewer system underlying Carol Way.

6. Financial Matters.

- A. Approval of schedules of disbursements.
- B. Report on investments/ratification of investment activity.
- C. Receipt and filing of financial statements (July 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.

7. Miscellaneous Matters.

**** Agenda Item 7(D) was heard before Item 7(A)**

D. Legislative and Outreach Report: John Lewis made a brief presentation on various items, including the recent Local Agency Formation Commission of Orange County ("OC-LAFCO"), Board of Supervisor Santa Ana River watershed-related issues, and Orange County election predictions.

**** Director EVERETT joined the meeting at 5:22pm, during Agenda Item 7(D)**

President DAVERT commented on OC-LAFCO issues, including push that OC-LAFCO should not be picking sides in the potential City of San Juan Capistrano water merger, but should simply be providing information so that the City and its constituents can make their own determination.

Ms. OHLUND briefly commented on Townsends' legislative report, including status of SB 998 and impacts of SB 901, inclusive of threatened power outages.

A. Wholesale and Retail Water Usage Report – July 2018. Ms. Ohlund briefly comments on second month of uptick in water use, with District remaining near 10 percent below 2013 numbers, as opposed to its 15 percent target during drought restrictions and 20 percent decreased based on actual use during drought restrictions.

ACTION TAKEN:

Upon motion by BELL, seconded by DULEBOHN, which carried unanimously, the Board received and filed the wholesale and retail water usage report.

B. Conference and Meeting Requests.

ACTION TAKEN:

Upon motion by SEARS, seconded by DULEBOHN, which carried unanimously, the Board authorized: (1) Director DULEBOHN to attend the ACWA Region 10 Program; (2) the full Board and Ms. Ohlund to attend both the Southern California Water Coalition dinner and the MWDOC Water Policy Forum and Dinner; and (3) Directors BELL, SEARS, the General Manager, and Board Member-Appointee George Murdoch to attend the ACWA Fall Conference.

C. Director's Reports on Meetings Attended at District Expense (Govt. Code § 53232.3.) and Director's Comments. Director SEARS indicated his attendance the Urban Water Institute ("UWI") conference and a Water Advisory of Orange County meeting of September 7, 2018. Director DULEBOHN also attended the UWI conference.

8. Informational Items

A. General interest publications. No comments.

9. Closed Session

A. Conference with Labor Negotiators (Government Code § 54957.6).
Agency Designated Representatives: Board of Directors
Unrepresented Employees: General Manager

B. Open session: The Board, in closed session on Item 9(A), voted unanimously, on motion by EVERETT, seconded by SEARS, to increase the General Manager's base salary to \$214,500 per year, effective in the next pay period.

10. Adjournment.

ACTION TAKEN:

The meeting was adjourned at 6:08 p.m., to a regular meeting to be held as a Workshop on October 18, 2018, at 5:00 p.m., at the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

Jeff Hoskinson