

MINUTES OF THE ADJOURNED REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
EAST ORANGE COUNTY WATER DISTRICT

August 13, 2013

1. **Call to Order.** An Adjourned Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by WILLIAM VANDERWERFF, President of the Board of Directors, at 5:00 p.m. on Tuesday, August 13, 2013, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, Secretary, recorded the minutes of the meeting (the minutes with respect to Items 10(A) and 11 were recorded by General Manager OHLUND).

The following Directors were present: RICHARD BARRETT, RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN and WILLIAM VANDERWERFF.

Also present were:

LISA OHLUND General Manager

JOAN ARNESON District Secretary and Legal Counsel

ROB HANFORD Golden State Water Company

2. **Public Communications to the Board.** None.
3. **Items Arising After Posting of Agenda.** None.
4. **General Manager's Report.** Ms. OHLUND elaborated on the distinction between the Delta Plan, which Metropolitan Water District objects to, and the Bay-Delta Conservation Plan (BDCP). She also elaborated on a leak on Fairhaven Extension from an incorrectly installed service line coupling during the 2011 Retail Zone Improvement Project, and said staff is working with the contractor.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the General Manager's Report was received and filed.

5. **Minutes.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the minutes of the meeting of July 18, 2013 were approved as submitted.

6. Operation, Management and Construction Matters.

A. Shared Engineering Services Agreement With Mesa Water. Ms. OHLUND said the rate schedule for the services still must be approved by the Mesa Water District Board, and she said this item could be deferred if the Board desired to wait. It was the consensus that consideration of the item proceed and that the approval of the rates be delegated to the General Manager.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the employee cost sharing agreement with Mesa Water District was approved substantially in the form presented to the meeting, with a term of three years and a not-to-exceed cost of \$60,000 for the first year.

B. Agreement for OC-70 Emergency Backup Power. Director BELL recused himself from participation in this item. Ms. OHLUND said MWD agreed to language limiting the effect of this agreement to its term. She noted that MWDOC will provide a counterpart agreement between MWDOC and EOCWD that will mirror the terms of the MWD – MWDOC agreement presented to the meeting, and requested approval to execute that agreement.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the Temporary Amendment to Agreement No. Ao-4881 For Operation And Maintenance Of Service Connection OC-70, between Metropolitan Water District and Municipal Water District of Orange County, be approved substantially in the form presented to this meeting, and that the General Manager and Legal Counsel be authorized to approve the terms of an agreement between EOCWD and MWDOC reflecting the same terms and the General Manager be authorized to execute such agreement.

7. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$1,134,368.16 from Wholesale and Retail Operating Funds, \$2,161.52 for directors payroll, and \$36,639.04 for employees payroll.

B. Investment Activity.

C. Financial Statements (June 30).

On behalf of the Finance Committee, Director DULEBOHN recommended approval of the schedule of disbursements, ratification and approval of the investment schedules and receipt and filing of the financial statements.

ACTION TAKEN:

Upon a motion duly made, seconded and carried 4-0-1 (Bell recusing), the schedules of disbursements were approved as submitted, the schedules of investments were ratified and approved, and the financial statements were received and filed.

8. Miscellaneous Matters.

A. California Friendly Landscape Training. Ms. OHLUND reviewed the coordination and contributions of the participating agencies including EOCWD, to offer this program. She said that per the suggestion of Director BELL, the course materials would include fire-resistant drought-tolerant plants.

B. Tustin Rawlings Reservoirs Dedication. It was the consensus that the Board members attend the September 19 dedication at 4 pm and that the Board meeting will start at the regular time.

C. Revision of Personnel Policy. Ms. OHLUND said the proposed changes would reflect the PERS employer paid member contribution change adopted by the Board at the last meeting. Language regarding PERS enrollment of part-time employees was deleted as unnecessary to repeat PERS' requirements. President VANDERWERFF suggested a revision to the provision for employee educational assistance, and it was the consensus to add that eligible employees must be full-time subject to case by case exceptions by the General Manager.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 724 was adopted, entitled "Resolution of the Board of Directors of the East Orange County Water District Rescinding Resolution No. 699 and Adopting Revised Personnel Policy".

D. Association of California Water Agencies (ACWA) Region 10 Board Election.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, it was determined that the District's ballot shall be cast for the nominating committee's recommended slate.

D. Reports from Committees and Representatives to Organizations. None.

E. Directors' Reports on Meetings Attended. Director BELL noted his attendance at the Water Summit. Ms. OHLUND added that there was a very informative presentation by the speaker from the Little Hoover Commission, who discussed the number of separate California agencies having some role in energy supply and the difficulty this creates in resolving aging energy infrastructure and green energy issues.

9. **Informational Items.** None. Mr. HANFORD said Golden State would be starting the Peacock reservoir rehabilitation project.

10. **Closed Session.** President VANDERWERFF announced that the Board would meet in the following closed session as listed in the agenda: **(A)** conference with special legal counsel – anticipated litigation – initiation of litigation pursuant to Government Code Section 54956.9(d)(4) (two potential cases). Ms. ARNESON was excused and left the meeting prior to the closed session.

OPEN SESSION


Open session was resumed. No action was reported from the closed session.

11. **Adjournment.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 6:47 p.m., the next regular meeting date and time being Thursday, August 15, 2013, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,



Joan C. Arneson