

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

August 20, 2015

**1. Call to Order.** A 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 Thursday, July 16, 2015, 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 following Directors were present: RICHARD BELL, JOHN DULEBOHN, SEYMOUR EVERETT and WILLIAM VANDERWERFF. Also present were:

LISA OHLUND	General Manager
JERRY MENDZER	Maintenance & Operations Superintendent
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel (by telephone)
ART VALENZUELA	City of Tustin
BILL EVEREST	Consultant
KEN VECCHIARELLI	Golden State Water Company
JOYCE DORAN-SCHOONOVER	Members of Carl Schoonover's family

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

A. Commendation of Carl R. Schoonover For Services to the District. President VANDERWERFF recognized members of Carl Schoonover's family who introduced themselves – Joyce, Eric, Susan, Kirk, Elisa, Hunter, Grace, Robi Lynn and others. President VANDERWERFF recalled his first meeting with Carl 32 years ago and his experience with Mr. Schoonover in ably and responsively serving the District. Other Board members also commended Carl and his work for the District. Ms. OHLUND said she wanted to also commend JOYCE DORAN-SCHOONOVER for her services to the District, and then read the proposed resolution.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously (Davent absent), Resolution No. 758 was adopted, entitled: "Resolution of the Board of Directors of the East Orange County Water District Expressing Appreciation, Commemorating and Inviting Public Attention to the Outstanding Services Rendered By Carl R. Schoonover As the District's Treasurer and Accountant."

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

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

4. **General Manager's Report.**

ACTION TAKEN:

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

5. **Minutes.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the minutes of the meetings of July 9 and 16, 2015 were approved as submitted.

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

B. **Design of Peters Canyon (6MG) Reservoir Roof Repairs.** Director BELL reported that this was reviewed by the Engineering Committee and the conclusion was that although repairs versus a new roof is a difficult choice, the work is necessary. Ms. OHLUND reported that in response to committee inquiries, other options such as shade balls and a floating cover were explored, but all were more expensive. She said the proposed repairs would be designed to sustain a high level of Santa Ana winds, as well as address pinhole leaks and quality. Replacing the reservoir would be in the range of \$6 -7 million, and retrofit on the current site that includes both cut and fill, based on Brady Engineering previous analysis, is not an option. Given the cost of replacement, she said it makes sense to defer the analysis of replacement until there is more direction on the treatment plant proposal, but in the meantime, the roof repairs should be done. Starting the design is time critical to be able to complete work before the high demand season.

Director BELL discussed referring the matter back to committee to evaluate lowering the operating level or taking the reservoir out of service, and authorizing repair design but proceeding in parallel with a seismic analysis and analysis of replacement. Ms. OHLUND said reducing or stopping the operation of the reservoir would need to be reviewed with the wholesale customer agencies. After further discussion, it was the consensus that the recommended action be deferred to the next meeting.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the recommended action was deferred pending legal review for any applicable requirements to retrofit to meet current design standards.

C. Participation in CALWARN.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the California Water/Wastewater Agency Response Network Warn 2007 Omnibus Mutual Assistance Agreement was approved and the General Manager was authorized to execute the agreement on behalf of the District.

D. Equipment and Material Surplus Declaration.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the assets included in the list as presented were declared surplus and staff was directed to dispose of said items by sale to the dealer offering the highest total price.

7. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$848,576.67 from Wholesale and Retail Operating Funds, \$2,483.35 for directors' payroll, and \$36,626.91 for employees' payroll.

B. Investment Activity. Schedules of investments were presented.

C. Financial Statements (June 30). The financial statements were presented.

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

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the schedules of disbursements were approved as submitted, the schedules of investments were ratified and approved, and the financial statements were received and filed.

D. Interim District Treasurer Services. Relative to the action at the last meeting to appoint Cindy Byerrum as interim Treasurer, Ms. OHLUND recommended approval of a contract for the interim services and said she will be working with the Finance Committee to evaluate long-term options.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the contract with Platinum Consulting Group for services was approved, and the General Manager

was authorized to execute the contract, with a not-to-exceed amount of \$4,500 annually for required services and optional services on a time and materials basis.

**8. Miscellaneous Matters.**

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

B. Directors' Reports on Meetings Attended. Director DULEBOHN reported on the ISDOC meeting.

C. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND indicated that she had nothing to add to the written report.

D. Water Demand Status Report. Ms. OHLUND reported that the District exceeded the July reduction target and was also on track to meet or exceed the reduction target in August.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the Water Demand Status Report was received and filed.

E. Drought Response Report. Director DULEBOHN noted that staff's customer response tasks seem to be higher than usual, and Ms. OHLUND said this was due to the drought and the notices of violation that have been given, generating many questions and requests for assistance. She discussed the communications plan.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Davert absent), the Drought Response Report was received and filed.

F. Umbrella Agreement With MWDOC For Conservation Rebates. Based on his employment with MWDOC, Director BELL recused himself from this item and left the Board room. Ms. OHLUND said MWDOC was placing all of its existing rebate programs under one agreement in lieu of the separate agreements used in the past. She recommended that the District continue to participate in the smartimer program, which provides a significant savings to the customer with the MWD, MWDOC and EOCWD rebates combined.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Bell and Davert absent), the Water Conservation Participation Agreement with Municipal Water District Of Orange County, inclusive of Addenda 1-4, was approved and the General Manager was authorized to execute the agreement and applicable addenda on behalf of the District.

9. **Informational Items.**

A. **General Interest Publications.** Included were: *San Francisco Attorney*, "The New Age of Water Regulation – Who Will Float To the Top?"; *ACWA Water News*, "Governor Indicates Willingness To 'Adjust' Conservation Mandates to Credit Past Water Supply Investments."

10. **Adjournment.**

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously (Davert absent), the meeting was adjourned at 6:40 p.m., the next regular meeting date and time being Thursday, September 17, 2015, 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