

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

May 21, 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, May 21, 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, DOUGLASS DAVERT, 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
BEN REJNIAK	Office of Representative Mimi Walters
ART VALENZUELA	City of Tustin
BILL EVEREST	Consultant

**2. Public Communications to the Board.** BEN REJNIAK, on behalf of Representative Walters, said he was present to invite the District to call should there be anything the District would like to discuss.

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

**4. General Manager's Report.** Ms. OHLUND said she did not have anything to add to her written report. There were no comments or questions.

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 April 16, 2015 were approved as submitted.

## 6. Operation, Management and Construction Matters.

A. 2015 Consumer Confidence Report. Ms. OHLUND reported that as has been true in previous years, there are no exceptions. Director DULEBOHN offered a minor edit.

### ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the 2015 Water Quality Report was received and filed.

B. Personnel Policy. Ms. OHLUND reported that there were two principal changes reflected by the recommended revisions: to comply with the new law on sick leave accrual, as full-time employees' accrual rate is currently more than the minimum, revise part-time and temporary employees' accrual rate to be the same rate; consistent with information surveyed from similar agencies, provide two times the rate of compensation for hours worked beyond 12 in a day. In response to Director DAVERT's question she said the fiscal impact for January 1 to present was approximately \$5500.

### ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 753 was adopted, entitled "Resolution of the Board of Directors of East Orange County Water District Rescinding Resolution No. 748 and Adopting Revised Personnel Policy."

C. Strategic Planning Update. It was the consensus that the workshop be scheduled for 8:00 a.m. on May 29, 2015 as recommended.

## 7. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$567,107.79 from Wholesale and Retail Operating Funds, \$2,462.93 for directors' payroll, and \$56,974.15 for employees' payroll.

B. Investment Activity. Schedules of investments were presented.

C. Financial Statements (March 31). 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, 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. OCWD and MWDOC Budgets. Ms. OHLUND noted key items, and said increases were not unexpected. At Metropolitan Water District, there is ongoing discussion of turf replacement funding and rate increases. Director BELL added that decreased sales are an issue as well. Ms. OHLUND said MWD's readiness to serve and capacity charges are based on past sales and peak usage.

E. Investment Policy. Ms. OHLUND reported that this year the summary table prepared by Raymond James was included.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 754 was adopted, entitled: "Resolution of the Board of Directors of the East Orange County Water District Approving Investment Policy and Authorizing the Treasurer To Invest Funds.

F. Statement of Auditing Standards No. 114. Ms. OHLUND reported that the auditor requested that the letter communicating the auditor's responsibilities be placed on the agenda for the Board's information.

**8. Miscellaneous Matters.**

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

B. Directors' Reports on Meetings Attended. Director DAVERT reported on the Orange County Water Summit, including commentary by an attorney for Coastkeeper who said desalination should be regarded as a last resort, after other alternatives are pursued.

C. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND said she had just received the draft focused MSR and would be reviewing it. LAFCO has requested comments by June 1, and will be scheduling a public meeting to gather resident views, prior to the hearing in July.

D. Water Demand Status Report. Ms. OHLUND noted that Retail Zone gallons per capita per day usage was down in April, over April 2014.

ACTION TAKEN:

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

E. Drought Response Report. Ms. OHLUND requested comments on proposed signage to be placed at strategic locations. She noted public messaging efforts that MWDOC will be implementing.

ACTION TAKEN:

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

**9. Informational Items.**

A. General Interest Publications. Included were *Business Wire* – “California Water Credits Struggle With New Rules;” *The Sacramento Bee* – “Regional tensions linger in California’s drought.”

**10. Closed Session.** President VANDERWERFF announced that the Board would meet in a closed session – conference with legal counsel – anticipated litigation – initiation of litigation pursuant to Government Code Section 54956.9(d)(4). He said discussion of one of the two potential cases would not be held and would be continued to a future meeting.

OPEN SESSION


Open session was resumed, with all Directors present. 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 7:10 p.m., to Friday, May 29, 2015, at 8:00 a.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

  
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Joan C. Arneson