

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

January 20, 2011

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, January 20, 2011, 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 BARRETT, RICHARD BELL, DOUGLAS CHAPMAN, JOHN DULEBOHN and WILLIAM VANDERWERFF.

Also present were:

LISA OHLUND	General Manager
JOAN ARNESON	District Secretary and Legal Counsel
STAN YARBROUGH	Golden State Water Company
DARCY BURKE	Municipal Water District of Orange County
STEVEN and KAYLA McGEE	District Residents
ART VALENZUELA	City of Tustin
KUNAL MITTAL	City of Tustin

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

B. **Presentation on Regional Water Messaging.** DARCY BURKE, MWDOC Director of Public Affairs, made a powerpoint presentation on regional water messaging. She discussed the key drivers for the communication plan; the selection of "guerilla marketing" (unexpected, unconventional, and interactive) as the plan strategy; the focus on water use efficiency, rather than conservation, as a sustainable weather-resistant messaging goal; the development of MWDOC's "Water: Do More With Less" campaign; experience of other Metropolitan members; results and next steps. She recommended focusing on reducing "water speak" in improving communication and stressing reliability as a duty to future generations.

A. **Recognition of Steven McGee.** Ms. OHLUND explained staff's initial efforts to establish communication with the Rocking Horse Ridge I and II homeowners' associations in

regard to the Andres Reservoir recoating project. Little progress was made until staff encountered Mr. MCGEE, who volunteered to act as a liaison and provided invaluable assistance. Ms. OHLUND read the proposed resolution.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 688 was adopted, entitled "Resolution of the Board of Directors of the East Orange County Water District Expressing Appreciation To Steven McGee For His Service to the District."

President VANDERWVERFF presented Mr. MCGEE with the Resolution and expressed the Board's appreciation. Mr. MCGEE said he had enjoyed the opportunity to learn and get involved.

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, the General Manager's Report was received and filed.

6. **Minutes.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the minutes of the meeting of December 16, 2010 were approved as submitted.

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

C. **Storm Damage.** Using slides, Ms. OHLUND reported on the recent activities at Baja Panorama Road, Crawford and Newport, and the Peters Canyon 6 MG Reservoir locations. She said that at Baja Panorama staff had worked with the County in placement of sandbag groins to protect the pipeline during December's storms, and she said she has been given confirmation by the County that the County has accepted Baja Panorama and will be including it in the repaving program. She also showed slides of sandbagging at Crawford and Newport. At the 6MG site, a second occurrence of hillside slumping has been attributed by the consultant to superficial sliding from the weight of the iceplant. The consultant has suggested consideration to placement of a v-ditch at the top of the slope, in the site drainage plan they are working on.

C. Water Conservation Report. Ms. OHLUND said that after the discontinuation of Metropolitan Water District's allocation, staff is looking at continuing this report in another format to provide continuing information. She noted that Metropolitan is considering resuming the sale of basin replenishment water.

7. Financial Matters.

A. Schedule of Disbursements. The Board reviewed schedules of disbursements in the following amounts: \$174,597.92 from Wholesale and Retail Operating Funds, \$0 from the Chapman Avenue Account, \$2,574.31 for Directors' payroll, and \$54,789.96 for employees' payroll.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the schedules of disbursements were approved as submitted.

B. Investment Activity. On behalf of the Finance Committee, Director CHAPMAN recommended approval.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the schedules of investments were ratified and approved.

8. Miscellaneous Matters.

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

B. Directors' Reports on Meetings Attended. None.

C. Independent Special Districts Selection Committee. Ms. OHLUND noted that President VANDERWERFF filed as a candidate for the alternate special district seat on the Local Agency Formation Commission (LAFCO). She said Cheryl Brothers (who addressed the Board last month and is also running for the regular seat) and James Fisler of Mesa Consolidated Water District have also filed. Ms. ARNESON explained that designation of another Board member as the District's representative is necessary if the President will not attend the ISDSC meeting, and that previously the Board designated Directors DULEBOHN and CHAPMAN as the first and second designees if President VANDERWERFF cannot attend. It was the consensus that the same approach be used this time. Discussion followed as to direction for casting the District's vote. Director BELL suggested that the preference would be Brothers for the regular seat and VanderWerff for alternate. It was the consensus that the District's representative use his discretion.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 68g was adopted, entitled "Resolution of the Board of Directors of the East Orange County Water District Appointing Alternate Representatives to Independent Special District Selection Committee."

D. ACWA/JPIA Insurance Report. Ms. OHLUND reviewed the report, noting the claims history. A recent claim concerning a leak from an abandoned service line was discussed.

9. Informational Items. None.

10. Closed Sessions. President VANDERWERFF announced that the Board would meet in closed session, as follows: (A) conference with real property negotiators (Government Code Section 54956.8) – property: premises leased for telecommunications at 9312 Jamboree Road, Orange; negotiating parties: AT & T /New Cingular; agency negotiators: Director VanderWerff and General Manager Ohlund; under negotiation: price and terms of lease amendment; and (B) conference with labor negotiators; agency designated representatives: Bell and VanderWerff; unrepresented employee: General Manager. (Ms. OHLUND and Ms. ARNESON were present for closed session (A), only.)

OPEN SESSION

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

ACTION TAKEN:

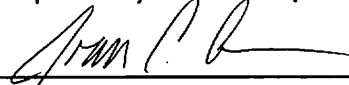
Upon a motion duly made, seconded and carried unanimously, the following modifications were approved to the agreement for the General Manager's employment: ability to work hours off-site to facilitate consulting business; increase vacation allowance from 2 to 3 weeks; medical coverage with the General Manager to pick up any additional cost; no change to salary and vehicle use.

11. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 6:50 p.m., to the next regular meeting date and time being Thursday, February 17, 2011, 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