

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

August 18, 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, August 18, 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
ROB HANFORD	Golden State Water Company
KEVIN HUNT	Municipal Water District of Orange County

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

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

6. **Presentation.** MWDOC General Manager KEVIN HUNT presented an update on San Joaquin Delta issues. He summarized four bills comprising the 2009 comprehensive water package. These included SBx7-1 on Delta governance, establishing co-equal goals of reliability and ecosystem protection and restoration. Mr. HUNT reviewed a diagram and discussed the various state agencies, commissions and other entities having a role in the Delta governance, their membership, authority and objectives. He also discussed the Bay Delta Conservation Plan, with a multi-species approach targeting long-term regulatory assurances; Delta conveyance costs and timeline; and the potential obstacles and unknowns that could impact the plan to develop a solution and put it in place. In response to a question from Director CHAPMAN, Mr. HUNT said he would provide information on debt service to Ms. OHLUND for distribution to the Board members.

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

**A. Partnering Agreement with Loyola Marymount – Water System Model.**

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the General Manager was authorized to enter into an agreement with Loyola Marymount University for the development of wholesale and retail system models, inclusive of full liability releases of the University and a sponsorship payment of \$5,000, and the General Manager was authorized to enter into an agreement with ID Modeling in a not-to-exceed amount of \$3,120 for final testing, calibration and certification of the system models.

**B. Baja Panorama Improvements - Relocation of 8-Inch Line.** Director BARRETT commented that this location is part of the El Modena volcanic formation and is very tough digging. Ms. OHLUND said this has been discussed with the contractor and although the objective will be minimum 30-inch depth, there could be areas that will have to be shallower.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the General Manager was authorized to enter into a contract with Doty Brothers in a not-to-exceed amount of \$38,000 for relocation of approximately 150 feet of 8-inch ductile iron pipe in Baja Panorama Road.

**C. Peters Canyon (6 MG) Reservoir Water Quality.** Ms. OHLUND reported that her recommended expenditure needed to be increased to cover welding costs of approximately \$2,600.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the expenditure of approximately \$30,000 to resolve a total coliform violation at Peters Canyon (6 MG) Reservoir was ratified and approved.

**D. Water Conservation Report.** Ms. OHLUND reported that demand was still down and she did not expect any near-term change in that status.

**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.

5. **Minutes.**

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the minutes of the meeting of July 21, 2011 were approved as submitted.

8. **Financial Matters.**

A. **Schedule of Disbursements.** Schedules of disbursements in the following amounts were presented: \$1,371,710.28 from Wholesale and Retail Operating Funds, \$0 from the Chapman Avenue Account, \$2,036.10 for Directors' payroll, and \$36,063.67 for employees' payroll. On behalf of the Finance Committee, Director CHAPMAN recommended approval.

**ACTION TAKEN:**

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

B. **Investment Activity.** Ms. OHLUND said the ongoing discussion item on the investment program was delayed and would be included in the next Finance Committee meeting. On behalf of the Finance Committee, Director CHAPMAN recommended approval of the investment schedules.

**ACTION TAKEN:**

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

C. **Financial Statements (June 30).** On behalf of the Finance Committee, Director CHAPMAN recommended approval.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the financial statements were received and filed.

9. **Miscellaneous Matters.**

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

B. **Directors' Reports on Meetings Attended.** None.

C. Response to Grand Jury Report – Compensation Survey of Water and Sanitation Districts.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously the response to the Grand Jury was approved as presented in draft form and staff was authorized to incorporate the recommendations into the District's website as outlined in the response.

10. Informational Items. No discussion.

11. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 6:00 p.m., the next regular meeting date and time being Thursday, September 15, 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,



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Joan C. Arneson