



MINUTES OF THE  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OF THE EAST ORANGE COUNTY WATER DISTRICT (EOCWD)

June 3, 2021

**Call to Order.** A Special Meeting of the Board of Directors of the East Orange County Water District was called to order by President DOUGLASS DAVERT at 4:30 p.m. on Thursday, June 3, 2021, with Director RICHARD BELL leading the Pledge of Allegiance. Pursuant to the California Governor’s Executive Order No. N-29-20, there was no public location for attending this board meeting in person. JEFFREY HOSKINSON, Secretary, recorded the minutes of the meeting, attending via videoconference.

The following Directors attended the meeting, pursuant to Executive Order N-29-20, via videoconference: RICHARD BELL, DOUGLASS DAVERT, JOHN SEARS, JOHN DULEBOHN and GEORGE MURDOCH.

Also present via videoconference were:

|                  |                                      |
|------------------|--------------------------------------|
| DAVID YOUNGBLOOD | General Manager                      |
| JERRY MENDZER    | Operations Manager                   |
| JEFF SMYTH       | Engineering Manager                  |
| SYLVIA PRADO     | Administrative Assistant             |
| JEFF HOSKINSON   | District Secretary and Legal Counsel |
| CINDY BYERRUM    | Eide Bailly                          |
| SCOTT NELSON     | Eide Bailly                          |
| IAN BERG         | Eide Bailly                          |

There was no in-person attendance due to COVID-19 restrictions. Other members of the public not listed may have attended.

**Addition of Items Arising After Posting of Agenda Requiring Immediate Action.**  
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present).

**ACTION TAKEN:** None.

**Public Communications to the Board.** None presented, and Sylvia Prado confirmed that no public comments were received via e-mail.

**1. Budget Workshop.**

**A. Draft 2021/22 Budget Presentation.** Presentation by General Manager David Youngblood, wherein he reviewed the total operating budget for Fiscal Year 2021/22, which is planned at \$14,031,400 allocated as follows: (1) Sewers \$4,049,800; (2) Wholesale \$6,808,800; and (3) Retail \$3,172,800. Anticipated revenue impacts are MWDOC Rates, 2% property taxes, 10% rate increase (Retail Zone), 2% Sewer Service Fees, Interest Revenue Reductions (25-50%).

Overall Budget Expense for FY 2021/22 is planned at \$10,591,600 and allocated as follows: (1) Sewers \$2,122,300; (2) Wholesale \$6,215,000; and Retail \$2,254,300. Largest anticipated expense impacts are: 2% Inflation Cost of Supply; Salaries and Benefits Assumptions; and Repairs and Maintenance

Mr. Youngblood thereafter provided, in a slide presentation, the details of the Fiscal Year 2021/22 Operating Budget. Ian Berg of Eide Bailly provided a CalPERS update. CalPERS additional discretionary payments split between wholesale (\$110,600), retail (\$110,600), and sewer (\$17,400) for a total of \$238,600. Sewer discretionary is lower because it was not introduced until 2016.

Engineering Manager Jeff Smyth presented the Capital Improvement Budget, outlining major projects for each of the 3 zones. Relative to the proposed District Office projects, Board discussed the appropriate allocation of costs in light of Retail Zone owning the property and receiving no rent. The Board expressed a desire to look at more equitable sharing of costs, rather than 33.33% split.

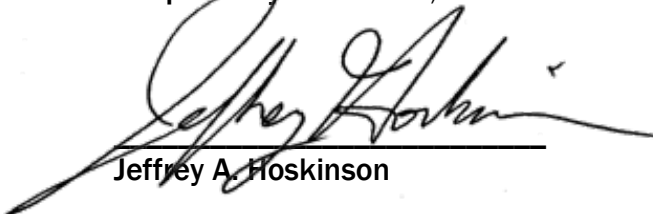
A brief discussion also did occur relative to the District's Supervisory Control and Data Acquisition ("SCADA") project, and the advantaged of automated meter reading ("AMR") versus automated meter infrastructure ("AMI").

Director BELL also referenced looking at future surcharges for Treatment System, which the Board discussed could be included in the next rate study.

**Adjournment.**

The Board adjourned the meeting at 5:09 p.m. to the next Regular Meeting of the Board of Directors on **June 17, 2021**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California, or online per California Governor's Executive Order No. N-29-20 and directs the Board Secretary to provide and post all legally required notices.

Respectfully submitted,



Jeffrey A. Hoskinson