

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

June 21, 2018

1. Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by DOUGLASS DAVERT, Director, at 5:00 p.m. on Thursday, April 19, 2018, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California, with Director RICHARD BELL leading the Pledge of Allegiance. JEFF HOSKINSON, Secretary, recorded the minutes of the meeting.

The following Directors were present: RICHARD BELL, DOUGLASS DAVERT, and JOHN SEARS. Director SEYMOUR EVERETT joined the meeting late, at the time indicated below, but was not in attendance at the beginning of the meeting. Director JOHN DULEBOHN was absent from the meeting. Also present were:

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JERRY MENDZER	Operations Manager
JEFF HOSKINSON	District Secretary and Legal Counsel
FRANK CAHILL	RCE Consultants
JOHN LEWIS	Lewis Consulting
MARILYN THOMS	Project Management Solutions
NICHOLAS ARMONTES	Consultant
STEVE ANDREWS	SAE

2. Public Communications to the Board. None.

3. Items Arising After Posting of Agenda. None.

4. Consent Calendar.

At the request of President DAVERT, Item 4(E) was pulled from the Consent Calendar. The Board, on a motion by BELL, seconded by SEARS, adopted by affirmative votes from BELL, DAVERT, and SEARS, the balance the balance of consent calendar items as follows:

- A.** Minutes: "THE MINUTES OF THE MAY 17, 2018 REGULAR MEETING OF THE BOARD AND THE JUNE 5, 2018 SPECIAL MEETING OF THE BOARD WERE APPROVED AS SUBMITTED."
- B.** General Manager's Report: "THE GENERAL MANAGER'S REPORT WAS RECEIVED AND FILED."
- C.** Appointment of Paul J. Kaymark of Platinum Consulting as Assistant Treasurer and Authorization of Signatures for All Accounts: "THE BOARD APPROVED RESOLUTION NO. 824, ENTITLED 'RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT APPOINTING AN

ASSISTANT TREASURER, AUTHORIZING SIGNATURES FOR ALL ACCOUNTS, AND RESCINDING PRIOR RESOLUTION.”

- D. 2018 Water Quality Report: “THE 2018 WATER QUALITY REPORT WAS RECEIVED AND FILED, AND WAS POSTED BY THE GENERAL MANAGER AS REQUIRED”; and
- F. Amendment No. 2 to Townsend & Associates Contract: “THE BOARD APPROVED AMENDMENT NO. 2 TO THE TOWNSEND & ASSOCIATES CONTRACT, AND AUTHORIZED THE GENERAL MANAGER TO EXECUTE SAID CONTRACT IN AN AMOUNT NOT TO EXCEED \$30,000.”

The Board then considered Item 4(E):

E. Resolution of Appreciation for Frank Cahill: General Manager Ohlund presented the item, detailing the service of Mr. Frank Cahill of RCE Consultants to the District over the last several years. Mr. Cahill was presented with a copy of Resolution No. 825, and thank for his service to the District.

ACTION TAKEN:

The Board, on a motion by BELL, seconded by SEARS, on affirmative votes from BELL, DAVERT, and SEARS, adopted Resolution No. 825, entitled “RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT COMMENDING FRANK CAHILL FOR HIS LOYALTY AND DEDICATED SERVICE TO THE DISTRICT.”

**** Item 7(D) was heard out of order, before returning the regular Agenda**

7. Miscellaneous Matters.

D. Regional and State Issues: Mr. John Lewis made a brief presentation relative to the status of major contested elections in Orange County this Fall, as well as to articles relative to the changing political demographics of Orange County. An overview of items considered at the June Local Agency Formation Commission (“OC LAFCO”) meeting was discussed.

ACTION TAKEN:

None.

**** Director EVERETT joined the meeting at 5:23 p.m., and remained present for the remainder of the meeting documented below.**

5. Operation, Management and Construction Matters.

A. Browning Avenue/Irvine Boulevard Open Trench Sewer Project – Award of Contract to W.A. Rasic Construction Co.: Ms. Ohlund made a brief presentation on the project.

ACTION TAKEN:

The Board, on a motion by BELL, seconded by SEARS, which carried unanimously among those members present, awarded a contract to W.A. Rasic Construction Company in the amount not-to-exceed \$134,000 for the completion of the Browning Avenue/Irvine Bouelvard Open Trench Sewer Project.

**** Item 6(D) was heard after Item 5(A), and before the remainder of the Agenda**

6. Financial Matters.

D. Amendment to 2018-2019 Budgets (Wholesale, Retail, Retail Capital Projects, and Sewer Systems): Ms. Ohlund presented on the amended 2018-2019 Budgets, and noted certain corrections for errors.

ACTION TAKEN:

The Board, on motion duly seconded, approved by unanimous vote of those members present Resolution Nos. 826, 827, and 828, entitled:

RESOLUTION OF THE BOARD OF DIRECTORS OF EAST ORANGE COUNTY WATER DISTRICT ADOPTING OPERATING BUDGET AND MAKING DETERMINATION RELATIVE TO APPROPRIATIONS SUBJECT TO LIMITATION FOR 2018/2019 FISCAL YEAR (OVERALL DISTRICT);

RESOLUTION OF THE BOARD OF DIRECTORS OF EAST ORANGE COUNTY WATER DISTRICT ADOPTING OPERATING AND CAPITAL PROJECTS BUDGETS AND MAKING DETERMINATION RELATIVE TO APPROPRIATIONS SUBJECT TO LIMITATION FOR 2018/2019 FISCAL YEAR (RETAIL ZONE); AND

RESOLUTION OF THE BOARD OF DIRECTORS OF EAST ORANGE COUNTY WATER DISTRICT ADOPTING OPERATING AND CAPITAL PROJECTS BUDGETS AND MAKING DETERMINATION RELATIVE TO APPROPRIATIONS SUBJECT TO LIMITATION FOR 2018/2019 FISCAL YEAR (IMPROVEMENT DISTRICT 1);

with Section 3 of Resolution No. 826 amended to refer to the amended two-year budget document presented at this meeting.

**** The Remainder of the Agenda Was Considered in Order, Commencing with Item 5(B)**

5. Operation, Management and Construction Matters.

B. Indefinite Engineering Services – Award of Contract to Steven Andrews Engineering.

ACTION TAKEN:

The Board, on a motion by SEARS, seconded by BELL, which carried unanimously among those members present, approved a contract for indefinite engineering services to Steven Andrews Engineering, as presented..

C. Report on the Status of the Water Treatment Plant Construction. Ms. Ohlund presented on the current status of the evaluation and review of the viability of the Water Treatment Plant, reporting that she was not yet prepared to present a Go/No Go update. Interested parties in water from the plant are currently agencies outside the boundaries of the District. Additional opportunities exist relative to the capture of stormwater, and opportunity are being evaluated with the U.S. Bureau of Reclamation. Recommendations relative to moving forward would be anticipated towards the end of the year.

ACTION TAKEN: None.

6. Financial Matters.

A. Approval of schedules of disbursements.

B. Report on investments/ratification of investment activity.

C. Receipt and filing of financial statements (April 30, 2018).

ACTION TAKEN:

The Board, on motion by SEARS, seconded by EVERETT, which carried unanimously among those Board members present, (1) approved the schedules of disbursements as submitted; (2) ratified and approved the schedule of investments, as presented; and (3) received and filed the financial statements.

E. Adoption of Wholesale Rates and Charges: Brief presentation by Ms. Ohlund on purpose of the Resolution.

ACTION TAKEN:

The Board, on motion by DAVERT, seconded by SEARS, which carried unanimously among those Board members present, adopted Resolution No. 829, entitled, "RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT ESTABLISHING RATES AND CHARGES FOR THE SALE OF WATER ON A WHOLESALE BASIS WITHIN THE DISTRICT."

F. Authorization of Sanitary Sewer Service Charges for Fiscal Year 2018/2019: Brief presentation by Ms. Ohlund on purpose of the Resolution.

ACTION TAKEN:

The Board, on motion by BELL, seconded by DAVERT, which carried unanimously among those Board members present, adopted Resolution No. 830, entitled, "RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT AUTHORIZING CERTAIN SANITARY SEWER CHARGES AND DIRECTING THE COUNTY TAX COLLECTOR TO INCLUDE SANITARY SEWER SERVICE CHARGES ON THE FISCAL YEAR 2018/2019 PROPERTY TAX BILLS.."

7. Miscellaneous Matters.

A. Wholesale and Retail Water Usage Report – May 2018. Ms. Ohlund presented the retail water usage report.

ACTION TAKEN:

Upon motion by BELL, seconded by SEARS, which carried unanimously among those members present, the Board received and filed the wholesale and retail water usage report.

B. Conference and Meeting Attendance Requests. Board discussed attendance at the Urban Water Institute conference in San Diego.

ACTION TAKEN:

Upon motion by BELL, seconded by EVERETT, which carried unanimously among those members present, the Board authorized Directors SEARS and, if interested, DULEBOHN to attend the Urban Water Institute Conference in San Diego, along with Ms. Ohlund.

C. Director's Reports on Meetings Attended at District Expense (Govt. Code § 53232.3.) and Director's Comments. Directors SEARS, DAVERT, and BELL attended the OC Water Summit. Director SEARS also reported attendance at WACO on June 8, 2018, and Tustin on June 12, 2018. Director DAVERT attended multiple special district meetings relative to OC-LAFCO elections.

8. Informational Items

A. General interest publications.

ACTION TAKEN:

None.

9. Closed Sessions.

- A. Conference with Labor Negotiators – Government Code § 54957.6

Agency Designated Representatives: Lisa Ohlund, General Manager

Unrepresented Employee: Operations Manager, Administrative Assistant – 2 positions; Water Operator III, Wastewater Superintendent, Water Operator I (2 positions); Wastewater Operator I, Part-Time Office Assistant, Part-Time Management Analyst

- B. Conference with Legal Counsel – existing litigation pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9 – *Irvine Ranch Water District v. Orange County Water District*, Case No. 30-2016-00858584-CU-WMCJC.

C. Open Session: The Board reported out of closed session that, relative to Item 9(A), the Board on unanimous vote of those members present, approved salary increases to designated unrepresented employees pursuant to the Schedule presented to the Board, amended to reflect (1) the 3.47% cost of living increase established by the State of California as opposed to the contemplated 3% cost of living increase, and (2) ranges amended in an amount sufficient to accommodate said salary increases, as necessary, as necessary; all of which will be recorded in the minutes of this meeting (attached hereto as Exhibit 1) and made available to any member of the public upon request.

10. Adjournment.

ACTION TAKEN:

The meeting was adjourned at 6:40 p.m., to a special meeting to be held on July 9, 2018, at 5:00 p.m., at the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

Jeff Hoskinson



Exhibit 1 Salary Schedule

Board Approval (Salary Increase/COLA/PERS Adjustment/Promotion) Date: June 21, 2018
Salary Effective Date: July 1, 2018 (Salary Increases/COLA/Promotion) (PERS Adjustment est. September 1, 2018)

Name	Salary Range**	Monthly Salary 6/30/2018	Monthly Salary 7/1/18	Hourly Salary 7/1/18	7-1-18 Total Annual Salary
General Manager*	\$13,583-\$18,338	\$ 16,250.00	\$ 16,250.00		\$195,000.00
Operations Manager	\$10,318-\$14,414	\$ 11,757.71	\$ 12,965.44	\$ 74.80	\$ 155,585.26
Water Operator III	\$5,038-\$7,254	\$ 5,131.16	\$ 5,818.36	\$ 33.57	\$ 69,820.33
Water Operator I	\$3,808-\$5,141	\$ 3,813.00	\$ 3,927.39	\$ 22.66	\$ 47,128.68
Water Operator I	\$3,808-\$5,141	\$ 4,494.72	\$ 4,814.74	\$ 27.78	\$ 57,776.93
Administrative Assistant II	\$5,717-\$7,718	\$ 5,968.81	\$ 6,650.22	\$ 38.37	\$ 79,802.61
Administrative Assistant I***	\$4,971-\$6,710	\$ 5,654.95	\$ 5,654.95	\$ 32.62	\$ 67,859.40
Wastewater Supervisor	\$6,045-\$8,161	\$ 7,536.10	\$ 8,231.80	\$ 47.49	\$ 98,781.54
Wastewater Operator I	\$3,688-\$4,980	\$ 4,206.61	\$ 4,592.78	\$ 26.50	\$ 55,113.32
P/T Management Analyst	\$27.00-\$36.45/hr	\$ 29.00	\$ 31.36	\$ 31.36	\$ 31,363.50
PT Office Assistant	\$15.00-\$24.46/hr	\$ 15.75	\$ 16.55	\$ 16.55	\$ 16,546.95
Interns	\$15.00-\$24.46/hr				

* No Change from 7/1/17

** Inclusive of 3% COLA

*** Currently Vacant