



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

January 20, 2022

Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by President DOUGLASS DAVERT at 5:00 p.m. on Thursday, January 20, 2022, with Director SEARS leading the Pledge of Allegiance. Pursuant to Government Code Section 54953(e), and related findings of the Board of Directors, there was no public location for attending this board meeting in-person. JEFFREY HOSKINSON, Secretary, recorded the minutes of the meeting.

The following Directors attended the meeting via videoconference: Directors RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN, GEORGE MURDOCH, and JOHN SEARS.

Also present, via videoconference, were:

DAVID YOUNGBLOOD	General Manager
JERRY MENDZER	Operations Manager
JEFF SMYTH	Engineering Manager
SYLVIA PRADO	Office Manager
JEFF HOSKINSON	District Secretary and Legal Counsel
ANDREW BISHOP	Cooperative Strategies
JONATHAN FOSTER	Davis Farr
IAN BERG	Eide Bailly
HON. JOHN LEWIS	Lewis Consulting

There was no in-person location provided due to COVID-19 restrictions currently in-place. Other staff and members of the public may have attended via videoconference who are not listed.

State of Emergency Virtual Meeting Findings.

ACTION TAKEN: The Board, on motion from SEARS, seconded by BELL, renewed for an additional 30 days its prior Government Code section 54953(e) findings, authorizing the continued use of emergency teleconferencing procedures for all District meetings as (1) the State of Emergency declared by Governor Newsom on March 4, 2020, relative to the COVID-19 emergency, remains in effect; and (2) Orange County public health officials continue to recommend measures to promote social distancing in connection with such emergency, and the Board finds that the provision of a physical location for the District's meetings, in light of the existing rate of community transmission and the small meeting space available to the District, would present imminent risks to the health and safety of attendees.

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. No public comments were presented. Ms. Prado confirmed that the District had not received any e-mail communications for public comment.

Consent Calendar. Director DULEBOHN requested that Item No. 3 be pulled for brief discussion and comment. The Board, on motion from DULEBOHN, seconded by BELL, approved the balance of the Consent Calendar items by unanimous roll-call vote, as follows:

1. **Minutes:** THE MINUTES OF THE DECEMBER 16, 2021 REGULAR MEETING OF THE BOARD WERE APPROVED AS SUBMITTED;
2. **Schedules of Disbursements:** THE BOARD APPROVED THE SCHEDULES OF DISBURSEMENTS AS SUBMITTED;
4. **Financial Statements:** THE BOARD RECEIVED AND FILED THE FINANCIAL STATEMENTS;
5. **Wholesale and Retail Water Usage Report:** THE BOARD RECEIVED AND FILED THE WHOLESALE AND RETAIL WATER USAGE REPORT; and
6. **Sewer Standards Budget Increase:** THE BOARD APPROVED SEWER STANDARDS BUDGET INCREASE.

The Board then separately considered Item No. 3.

3. General Manager's Report: Director DULEBOHN complimented General Manager Youngblood on the job he was doing, including the expansion of the Sedaru Report. Director DULEBOHN noted that 21,000 gallons of fire hydrant water were used in connection with sewer cleaning work, and wondered if there was an alternative to use raw water. General Manager Youngblood and Engineering Manager Smyth confirmed that it would be substantially more work to utilize other water, and it was typically that the nearest fire hydrant was used.

ACTION TAKEN: The Board, on motion by DULEBOHN, seconded by BELL, by unanimous roll-call vote received and filed the General Manager's Report.

**** BOARD TOOK ITEM NO. 13 OUT OF ORDER**

Miscellaneous Items.

13. Monthly Legislative & Outreach Report. Hon. John Lewis provided a brief report to the Board, supplementing his written report. Mr. Lewis commented on the County redistricting process, highlighting what happens to Tustin and North Tustin. Mr. Lewis congratulated President DAVERT on his selection as Chairman of the Local Agency Formation Commission



(“LAFCO”) of Orange County. Mr. Lewis also provided a brief update on Orange County COVID-19 numbers.

ACTION TAKEN: On motion by SEARS, seconded by DULEBOHN, the Board by unanimous roll-call vote, received and filed the report.

**** THE BOARD RETURNED TO THE BALANCE OF THE AGENDA IN ORDER**

Matters for Consideration.

7. 2020/2021 Audit Presentation. Jonathan Foster of Davis Farr provided the Board with a Powerpoint presentation relative to its Fiscal Year (“FY”) 2020/2021 Audit. Mr. Foster provided a summary of the Audit Results, including an Opinion on Basic Financial Statements, Report on Internal Control over Financial Reporting, and a Summary of the Audit Results. Mr. Foster indicated that an unmodified opinion on financial statements was issued, with no modifications—the highest level of opinion.

ACTION TAKEN: On motion by DULEBOHN, seconded by SEARS, the Board by unanimous roll-call vote, received and filed the Audit Presentation and Report.

8. Rehabilitation of Newport Reservoir. Engineering Manager Smyth presented the item, indicating that the Reservoir had last been recoated in 2002, and was due to be recoated again, along with other rehabilitation repairs, including replacement of ladders. Mr. Smyth noted that the low bidder had a minor irregularity in its bid proposal form, as noted in the agenda report, and staff was seeking for the Board to waive the irregularity. Director DULEBOHN inquired as to timing of the Project due to increased water demand, which was followed by a discussion with Engineering Manager Jeff Smyth and Operations Manager Jerry Mendzer.

ACTION TAKEN: The Board, on motion by BELL, seconded by DULEBOHN, by unanimous roll-call vote (1) approved the transfer of \$250,000 to the FY2021-22 Wholesale Zone Capital Improvement Budget Account #7102138 from Reserve Funds and amended by the budget; (2) found that the irregularity in the bid submitted by Advanced Industrial Services (“AIS”) was minor in that it did not affect the amount of the bid or afford AIS a competitive advantage over the other bidders, and waived such minor irregularity; (3) awarded a construction contract with AIS in the amount of \$536,220; and (4) authorized and approved the General Manager a \$50,000 contingency to address any unanticipated conditions for a total budget of \$586,220 for the construction of the Rehabilitation of the Newport Reservoir.

9. Vista Panorama Project Update. Mr. Smyth provided a brief update on the Vista Panorama Reservoir Replacement Project, including neighbor noise complaints. Mr. Smyth did comment that the neighbors were pressing for a wall around the project. President DAVERT commented and clarified the District is not granting any property rights on the site.

ACTION TAKEN: No Action Taken. Information Only.

10. Capacity, Reliability and Augmentation (“CRA”) Project Update. Mr. Smyth provided an update on the CRA Project. The project is moving along, despite a delay on the portion near the schoolsite due to rains. Mr. Smyth noted that the school principal had been extraordinary to work with. To date, the Contractor had placed 600 feet of pipeline in the ground, and work should be finished by March. Director BELL noted that the Engineering and Operations Committee had nothing to add.

ACTION TAKEN: No Action Taken. Information Only.

11. Conference & Meeting Requests. President DAVERT introduced the item, commenting that there were two conferences upcoming, including the virtual Urban Water Institute Conference in February and the Municipal Water District of Orange County (“MWDOC”) Policy and Forum Dinner on February 23, 2022.

ACTION TAKEN: The Board, on motion by BELL, duly seconded, unanimously approved the attendance of the Directors at the Urban Water Institute Conference and MWDOC Policy and Forum Dinner.

Miscellaneous Items. *(Continued)*

12. Directors’ reports on meetings attended at District expense (Government Code Section 53232.3) and Directors’ comments. The Directors reported attendance as set forth in the agenda, as follows:

President Davert

12/8 OC LAFCO Commission Meeting**

12/16 EOCWD Regular Board Meeting**

Vice President Dulebohn

12/9 Engineering & Operations Committee*

12/16 EOCWD Regular Board Meeting*

Director Bell

12/9 Engineering & Operations Committee*

12/16 EOCWD Regular Board Meeting*

Director Murdoch

12/16 EOCWD Regular Board Meeting*

Director Sears

12/2 Foothill Communities Association Meeting

12/14 OCWD Webinar

12/10 Water Advisory Committee of Orange County (“WACO”) Mtg*

12/16 EOCWD Regular Board Meeting*

*Meetings attended at District expense.

**Declines Payment for meetings attended at District expense

Director SEARS commented that he attended the WACO meeting in January, where the San Joaquin Delta was discussed, with the end result being there is no solution yet. President DAVERT commented on the Santa Ana Watershed Project Authority (“SAWPA”) cloud seeding program, and that SAWPA would likely be willing to provide a presentation if desired by the Board. Director BELL noted that the State Water Resources Control Board was planning on 50% water allocation to Southern California in the California Water Project. President DAVERT also commented on the need to pay attention to inflation, and not being surprised as it begins to affect budgets this year due to increased employee costs and applicable water rates.

Closed Session

- 14. Conference with Legal Counsel - potential litigation pursuant to paragraph (3) of subdivision (d) of Government Code § 54956.9.** Prior to recessing to Closed Session, General Counsel Jeff Hoskinson announced that the Board would be meeting in Closed Session relative to Item No. 14, to discuss the claims of Alma Lopez, on behalf of herself and a minor, and April Lopez.

**** BOARD RECESSED TO CLOSED SESSION, BEFORE RECONVENING IN OPEN SESSION**

Open Session Report Out: General Counsel Hoskinson announced that the Board met in Closed Session relative to Item 14, as agendized, and took action, on motion by SEARS, seconded by DULEBOHN, to reject claims of Alma Lopez and April Lopez by unanimous roll-call vote.

Adjournment.

The Board adjourned the meeting at or around 5:45 p.m. to the next Regular Meeting of the Board of Directors on **Thursday, February 17, 2022**, at 5:00 p.m., to be held on-line pursuant to Government Code Section 54953(e) and, as applicable, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,



Jeffrey A. Hoskinson