

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

April 21, 2016

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, President of the Board of Directors, at 5:00 p.m. on Thursday, April 21, 2016, 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 BELL, DOUGLASS DAVERT, JOHN DULEBOHN, SEYMOUR EVERETT and JOHN SEARS. Also present were:

LISA OHLUND	General Manager
JERRY MENDZER	Maintenance & Operations Superintendent
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel
BRIAN LOCHRIE	Communications Lab
ART VALENZUELA	City of Tustin
NICHOLAS ARHONTES	District Consultant
WILIAM VANDERWERFF	Former EOCWD Director
JOHN LEWIS	Lewis Consulting

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

3. **Items Arising After Posting of Agenda.** Ms. OHLUND said she had been notified of the need to take action on an agreement under MWDOC's program to obtain a fuel trailers. President DAVERT said he wished to make a presentation.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, it was determined that the need to take immediate action on an agreement to obtain a fuel trailer and a presentation by the President came to the district's attention after posting of the agenda and such items were added to the agenda.

Presentation. President DAVERT commented on BILL VANDERWERFF's dedication and service to this Board and the District, and presented a framed copy of the resolution adopted in December acknowledging his many years of service as President of the Board of Directors, and a clock with an inscription acknowledging his leadership. Mr. VANDERWERFF commended the Board and staff, noting his appreciation of Ms. OHLUND's effectiveness as General Manager.

Fuel Trailer. Ms. OHLUND said WEROC, the emergency response organization for Orange County's agencies, has organized a grant-funded program to distribute trailers with solar-powered fuel pumps to interested agencies. She noted that the trailers would be a very important asset to the use of emergency generators. To receive one of the trailers, there are a number of logistical, maintenance and other requirements, including relieving MWDOC and the City of Santa Ana (as the grant recipient agency) of liability associated with the trailer.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the General Manager was authorized to execute an agreement to obtain a fuel trailer under the program.

4. **General Manager's Report.** Ms. OHLUND said she had no additions to the written 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 March 17, 2016 were approved as submitted.

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

A. **Service Area 7 Sewer Transfer LAFCO Decision.** Ms. OHLUND acknowledged the work and support of the Board, the team (CommunicationsLab, Lewis Consulting) and the community. Directors SEARS and EVERETT commented on the education process, and Director EVERETT said it was gratifying to watch the team fight for the approval of the District's application. Directors DULEBOHN and DAVERT said that although IRWD is a top-notch organization, in the end it was about the best fit for the community. President DAVERT thanked the whole team, staff, and the community and added that there is a lot of work to do going forward. A video of a portion of the hearing was viewed.

B. **General Counsel Legal Fees.** President DAVERT suggested this be reviewed annually.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the fees for general counsel services effective July 1, 2016 were approved and the President was directed to execute the legal services agreement.

C. Rate Workshop Scheduling.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, it was determined that a workshop meeting will be held on May 10, 2016 at 4:00 p.m.

7. **Financial Matters.**

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$367,755.59 from Wholesale and Retail Operating Funds, \$1,103.41 for directors' payroll, and \$64,029.06 for employees' payroll.

B. Investment Activity. Schedules of investments were presented.

C. Financial Statements (February 29). The financial statements were presented.

Corrected sheets were handed out. Director DULEBOHN recommended approval of the schedule of disbursements and investment schedules, and receipt and filing of the financial statements.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the schedules of disbursements were approved as corrected, the schedules of investments were ratified and approved, and the financial statements were received and filed.

B. Annual Review of Investment Policy.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 766 was adopted, entitled: "Resolution of the Board of Directors of the East Orange County Water District Approving Investment Policy and Authorizing the Treasurer To Invest Funds"

8. **Miscellaneous Matters.**

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

B. Directors' Reports on Meetings Attended. Director DULEBOHN reported on the ISDOC meeting. Director SEARS reported on the Elected Officials Forum and WACO meeting, which included presentations discussing legislation, the Water Fix, and generating biowaste energy.

C. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND said she had no additions to her report.

D. Water Demand Status Report. Ms. OHLUND reported that the 36% target was met. At this time it is not yet clear what the State Board will do going forward, and options tied to local supplies are being discussed. She reported on the District's pursuit of proportionality recognizing GWRs contribution.

E. Drought Response Report. Ms. OHLUND reported on communications thanking the District's customers for meeting the target.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the Water Demand Status Report and Drought Response Report were received and filed.

9. Informational Items.

A. General Interest Publications. Included were: *Sacramento Bee*, Phil Isenberg "Parting thoughts for Delta water warriors;" *National Institute of Environmental Health*, "Greenness Around Homes Linked to Lower Mortality;" *The New Yorker*, "System Overload."

10. Closed Sessions. President DAVERT announced that the Board would meet in closed sessions listed in the agenda as follows: **(A)** conference with legal counsel – existing litigation – Government Code Section 54956.9(a) – *Ebinger v. Yorba Linda Water District*, 30-2016-00829548 (concerning participation as amicus curiae); **(B)** conference with labor negotiators (Govt. Code §54957.6) – agency designated representatives: Directors Davert and Dulebohn – unrepresented employees: General Manager

OPEN SESSION

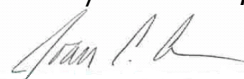
Open session was resumed, with all Directors present. No actions were reported.

11. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 5:55 p.m., to Tuesday, May 10, 2016, at 4:00 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