



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

September 15, 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, September 15, 2022, with Director RICHARD BELL leading the Pledge of Allegiance. Pursuant to Government Code Section 54953(e), and related findings of the Board of Directors, public attendance was facilitated via video and teleconference, and 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: RICHARD BELL, DOUGLASS DAVERT, GEORGE MURDOCH, JOHN SEARS, and MARILYN THOMS.

Also present were:

DAVID YOUNGBLOOD	General Manager
JEFF SMYTH	Engineering Manager
JERRY MENDZER	Operations Manager
SYLVIA PRADO	Office Manager
CINDY BYERRUM*	Eide Bailly CPA / Treasurer
JEFF HOSKINSON*	District Secretary and Legal Counsel
GREGORY NEWMARK*	Meyers Nave
IAN BERG*	Eide Bailly
STEVE GAGNON*	Raftelis Financial Consultants
THERESA JUROTICH*	Raftelis Financial Consultants
JOHN LEWIS*	Lewis Consulting

(*) attended via videoconference

Other staff and members of the public may have attended via video- or teleconference that are not listed above.

State of Emergency Virtual Meeting Findings.

ACTION TAKEN: The Board, on motion from BELL, seconded by THOMS, by unanimous roll-call vote 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, such that the Board found the while circumstances can be relaxed to allow for in-person attendance, such in-person

attendance shall remain optional for members of the Board and public and tele- and videoconferencing options shall remain in effect for an additional 30 days.

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, and no e-mail communications for public comment received.

Consent Calendar. The Board, on motion from BELL, seconded by THOMS, approved the Consent Calendar items by unanimous roll-call vote, as follows:

5. **Minutes:** THE MINUTES OF THE AUGUST 16, 2022 REGULAR MEETING OF THE BOARD WERE APPROVED AS SUBMITTED;
6. **Schedules of Disbursements:** THE BOARD APPROVED THE SCHEDULES OF DISBURSEMENTS AS SUBMITTED;
7. **General Manager's Report:** THE BOARD RECEIVED AND FILED THE GENERAL MANAGER'S REPORT;
8. **Financial Statements:** THE BOARD RECEIVED AND FILED THE FINANCIAL STATEMENTS;
9. **Wholesale and Retail Water Usage Report:** THE BOARD RECEIVED AND FILED THE WHOLESALE AND RETAIL WATER USAGE REPORT;
10. **Adoption of Revised Sewer Standards:** THE BOARD ADOPTED THE REVISED DESIGN, CONSTRUCTION, AND REPAIR STANDARDS FOR SANITARY SEWERS AS PRESENTED.

**** THE BOARD HEARD ITEM NO. 15 OUT OF ORDER**

Miscellaneous Items.

15. Monthly Legislative & Outreach Report. Hon. John Lewis, of Lewis Consulting, provided an oral highlight of his monthly report, including water and drought updates and an overview of State and local election politics.

ACTION TAKEN: No action taken.



**** THE BOARD RETURNED TO THE BALANCE OF THE AGENDA AS AGENDIZED**

Matters for Consideration.

11. Rate Study Presentation. General Manager Youngblood introduced the item, turning presentation over to Steven Gagnon of Raftelis. Mr. Gagnon presented his report relative to proposed rate structures for the Wholesale Zone, Retail Zone, and Improvement District No. 1 (Sewer), as well as potential capacity fee revisions. Board had a lengthy discussion on moving away from dependence on the commodity rate for fixed charges, as well as timing of rate modifications to minimize impacts of moving fixed charges to property tax bills so as to avoid or minimize the need for any debt issuance. The Board provided direction to Mr. Gagnon to return with options based on criteria discussed.

ACTION TAKEN: None taken.

12. Improvement District (“ID”) 1 Capacity, Reliability, and Augmentation (“CRA”) Project Update. Engineering Manager Jeff Smyth provided an update on the CRA Project, including the Crawford Canyon segment.

ACTION TAKEN: Information Only. No action taken.

13. General Manager Performance Evaluation. President DAVERT introduced the item, referencing that the Board had discussed in prior performance evaluation a salary increase of 10 percent per year in the General Manager’s compensation, to approximately \$276,728 per year.

ACTION TAKEN: The Board, on motion by BELL, seconded by SEARS, by unanimous roll-call vote approved a 10% increase in the annual compensation paid to the General Manager, effective retroactively to July 1, 2022, which would bring the General Manager’s salary to approximately \$276,728.

Miscellaneous Items.

14. 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 | |
| 8/10 | OC LAFCO Commission Meeting |
| 8/18 | EOCWD Regular Board Meeting |
| Vice President Murdoch | |
| 8/2 | ACWA Region 10 Event |
| 8/9 | ACWA ACE Subcommittee Meeting |
| 8/18 | EOCWD Regular Board Meeting |
| 8/24-8/25 | Urban Water Institute Conference |
| 8/30 | ACWA APP Subcommittee Meeting |
| 8/30 | ACWA ACE Subcommittee Meeting |

8/31 ACWA Membership Committee Meeting

Director Bell
8/18 EOCWD Regular Board Meeting

Director Sears
8/5 Water Advisory Committee of Orange County (WACO) Meeting
8/9 North Tustin Fire Safe Council Meeting
8/11 Foothill Communities Association
8/18 EOCWD Regular Board Meeting
8/24-8/26 Urban Water Institute Conference

Director Thoms
8/5 Water Advisory Committee of Orange County (WACO) Meeting
8/18 EOCWD Regular Board Meeting
8/24-8/25 Urban Water Institute Conference

Director SEARS briefly commented on presentation at the WACO meeting by David Boyer of Atkinson, Andelson, Loya, Ruud & Romo on EPA-related decisions. Director DAVERT referred to State bill on indoor water use.

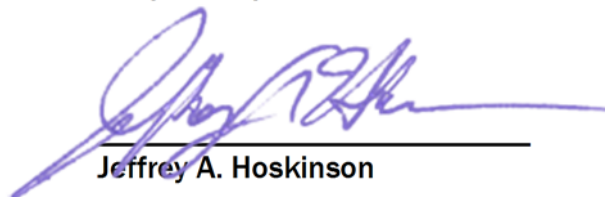
Closed Session.

1. **Conference with Legal Counsel - Existing Litigation (Govt Code § 54956.9(d)(1))**
Irvine Ranch Water District v. Orange County Water District, Case No. 30-2016-00858584-CU-WMCJC.
2. **Report Out:** General Counsel Hoskinson reported that the Board met in Closed Session on Closed Session Item No. 1, and took no reportable action.

Adjournment.

The Board adjourned the meeting at or around 6:34 p.m. to the next Regular Meeting of the Board of Directors on **Thursday, October 20, 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