

EMERALD BAY SERVICE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING
Thursday, January 23, 2020

PRESENT: James Flynn, President
Susan Thomas, Vice President
John Marconi, Treasurer
Philip deCarion, Secretary

ABSENT: John McDermott, Director

ALSO PRESENT: Michael Dunbar, General Manager
Jeff Morris, Attorney, SDRMA
Susan Olmstead-Bowen, Director of Finance
Cathy Lovitt, Recording Secretary, Member Services Administrator
Toni Hughes, Community Association Manager
Cisco Farias, Director of Maintenance
Jill Chambers, Director of Architecture & Construction
Victor Assad, EBCA Board President

CALL TO ORDER and PLEDGE OF ALLEGIANCE

The meeting was called to order at 5:30 p.m. by President James Flynn and the pledge of allegiance was recited.

CERTIFICATION OF POSTING

Cathy Lovitt, Recording Secretary, stated the agenda for this meeting was posted on the Community bulletin board, at the Main Gate Guardhouse, on the District's website and the media was notified by 5:00 p.m. on January 17, 2020.

PUBLIC COMMENT

None

MINUTES

The Board discussed the minutes of the Regular Meeting of the Board of Directors of November 20, 2019 and approved the minutes as written.

John Marconi made a motion to approve the minutes as written. The motion was seconded by Philip DeCarion and passed unanimously.

REVIEW OF FINANCIAL MATTERS

The Board discussed the financial reports as presented.

DEPOSITS

Total deposits for November 2019 were \$426,438.67. Total deposits for December 2019 were \$906,786.69.

INVOICES FOR PAYMENT

Invoices for payment totaled \$1,272,200.29 the period ending December 31, 2019.

John Marconi made a motion to approve the invoices for payment for the period ending December 31, 2019 totaling \$1,272,200.29. The motion was seconded by Susan Thomas and unanimously approved.

ACTION ITEMS

1. Election of Officers for 2020.

Philip DeCarion made a motion to elect the following officers for 2020:

| | |
|----------------|----------------|
| Susan Thomas | President |
| John Marconi | Vice President |
| Jim Flynn | Treasurer |
| Phil DeCarion | Secretary |
| John McDermott | Director |

The motion was seconded by John Marconi and unanimously approved.

John Marconi thanked James Flynn for his excellent service as President the past year and thanked all of the Board members for their unwavering support and service.

2. Operation and Maintenance Agreement for Lift Station No. 7 (#182 Emerald Bay). Michael Dunbar reported that in order to accommodate the construction of the new residence of #182 Emerald Bay located on the point of the Emerald Bay community, the District required a new sewer lift station (#7) to replace the gravity sewer pipeline. Mr. Dunbar reported that staff is recommending to accept station #7 on a six-month interim basis after which time the District will evaluate the operation of the station. A draft agreement was prepared by legal which grants a temporary license for the District to operate and maintain Sewer Lift Station #7. The District may extend the Initial Term for an additional six-month period. This will allow staff to evaluate the lift station's operation prior to final acceptance into the District's sewer collection and sewer lift station system.

John Marconi made a motion to authorize the General Manager to execute the Operation and Maintenance Agreement for sewer Lift Station No. 7 subject to the homeowner, Mr. Flattum's, signing the Agreement. The motion was seconded by Susan Thomas and unanimously approved.

3. Proposal from GMU for Soil Observation and Testing in an Amount Not-to-exceed \$31,580 for the Drainage Improvements: Phases 2 and 9. Michael Dunbar reported that staff requested a proposal from GMU for geotechnical observation and testing of the drainage pipes and roadway improvements, Phases 2 and 9. The work would consist of construction observation and testing of backfill materials along the storm drain pipeline trenches and the storm drain catch basins. Staff recommended that the Board of Directors approve the proposal from GMU.

John Marconi made a motion to authorize the General Manager to execute a contract with GMU for geotechnical observation and testing based on GMU's proposal dated November 14, 2019 in an amount not-to-exceed \$31,580. The motion was seconded by Phillip DeCarion and unanimously approved.

OLD BUSINESS

1. Storm Water Run-off - Mike Dunbar stated he had no updates to report.

NEW BUSINESS

1. AB 1668 and SB 606. Mike Dunbar reported that staff have received several requests for information related to AB 1688 (Assembly Member Laura Freidman, D – Glendale) and SB 606 (Senate Member Robert Hertzberg, D – Los Angeles), related to Water Management Planning. The bill requires the State Water Resources Control Board, in coordination with the Department of Water Resources, to establish long term urban water use efficiency standards by June 30, 2022. Those standards will include components for indoor residential water use, outdoor residential water use, water losses and other uses. Mike reported that water professionals are concerned over the manner in which these laws will be implemented as there is not currently a way to monitor or measure the indoor water use. Michael Dunbar will be working with the Laguna Beach County Water District to determine how they intend to implement these new laws.

CORRESPONDENCE

None

BOARD REPORTS

General Manager's Report. Michael Dunbar reported his November 2019 and December 2019 activities to the Board of Directors.

AD HOC REPORTS

None

Director's Comments

None

CLOSED SESSION

Under provisions of Government Code Section 54956.9(d) (2), the Board entered closed session at 6:15 p.m. to discuss the items listed on the agenda:

1. Conference with Legal Counsel – Existing litigation: Pursuant to Government Code Section 54956.9 (a) – Bollen vs. Emerald Bay, et. al., Orange County Superior Court, Case No. 30-2019-01072755-CU-PP-CJC.

OPEN SESSION

At 6:20 p.m. the Board returned to open session. No reportable actions were taken in closed

session.

LEGAL COUNSEL'S REPORT

Special Counsel Jeff Morris reported on various matters that he has been working on with the General Manager, Michael Dunbar.

The next regularly scheduled meeting is scheduled for Wednesday, February 19, 2020.

ADJOURNMENT

The meeting was adjourned at 6:30 p.m.



James Flynn, President



Cathy Lovitt, Recording Secretary