

EMERALD BAY SERVICE DISTRICT
REGULAR BOARD OF DIRECTORS MEETING
Wednesday, April 18, 2018

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

ALSO PRESENT: Michael Dunbar, General Manager
Allison Burns, Attorney, Stradling Yocca Carlson & Rauth
Jill Chambers, EBCA Director of Architecture and Compliance
Cisco Farias, Director of Maintenance
Susan Olmstead-Bowen, Director of Finance
Cathy Lovitt, Recording Secretary, Member Services Administrator

GUESTS: Fred Adjarian, El Toro Water District
Bob Ootan, Costa Mesa Sanitary District
Lisa Ohlund, East Orange County Water District
James Fisler, Mesa Water District
Douglass Davert, East Orange County Water District

CALL TO ORDER and PLEDGE OF ALLEGIANCE

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

CERTIFICATION OF POSTING

Recording Secretary, Cathy Lovitt, 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 Friday, April 13, 2018.

PUBLIC COMMENT

President John Marconi introduced the District's Board Members to the guests of the meeting and welcomed the candidates for the upcoming Local Agency Formation Commission (LAFCO) elections.

Each of the nominees presented and outlined their experience and background and asked the Board for their support. Presenting their qualifications for the LAFCO Regular Special District Member were Frederick Adjarian, Director of the El Toro Water and Douglass Davert, Director of the East Orange County Water District. Presenting their qualifications for the LAFCO Alternate Special District Member were Bob Ootan, Director of the Costa Mesa Sanitary District and James Fisler, Director of the Mesa Water District.

MINUTES

The Board discussed the minutes of the Special Meeting of the Board of Directors of March 28, 2018 and requested one change.

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John McDermott made a motion to approve the minutes as amended. The motion was seconded by Susan Thomas and passed unanimously.

REVIEW OF FINANCIAL MATTERS

The Board discussed the financial reports as presented

DEPOSITS

Total deposits for February were \$236,837.59.

INVOICES FOR PAYMENT

Invoices for payment totaled \$288,761.00 for the period ending April 12, 2018.

Susan Thomas made a motion to approve the invoices for payment for the period ending April 12, 2018 totaling \$288,761.00. The motion was seconded by Philip deCarion and unanimously approved.

Director James Flynn left the meeting at 6:02 p.m.

ACTION ITEMS

1. Adopt Banking Resolution and Certificate of Incumbency from Bank of America for Directors' Signing Authority. Michael Dunbar reported that he contacted Bank of America to verify the process necessary to add the newly elected Directors and remove Directors that are no longer members of the Board as signers to the District's Bank of America and Merrill Lynch accounts.

John McDermott made a motion to adopt Banking Resolution and Certificate of Incumbency from Bank of America for Directors' signing authority. The motion was seconded by Susan Thomas and unanimously approved.

2. Consideration and Possible Action to Award a Contract for Fuel Modification Based Upon the Responsive and Responsible Bidder. Michael Dunbar reported that staff prepared a proposal package for the fuel modification within approximately 150 feet of the Emerald Bay community exterior boundary. The District retained the services of James Dockstader, landscape architect, to walk the perimeter and tag various plants for removal or thinning. Mr. Dockstader also marked the area for the fuel modification efforts. This was accomplished in coordination with the Orange County Fire Authority (OCFA). In addition, the necessary permits were obtained from State Parks and Orange County Parks. This packet was sent to four pre-qualified landscape maintenance firms to submit proposals. The District received four bids ranging from \$28,700 to \$59,225. Michael Dunbar also reported that the two lowest were very close with the bid from Dave's Tree Service being the lowest bid, even though the District has never used them for fuel modification, they have had experience with them trimming and removing trees and have a good relationship with them.

John McDermott made a motion to award to Dave's Tree Service subject to staff supervision and the establishment of a start date moving forward. The motion was seconded by Susan Thomas and unanimously approved.

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OLD BUSINESS

1. Storm Water Run-off. Michael Dunbar reported that with Jim Waddell's absence, he has not been given a Storm Water Run-off report. Mr. Dunbar will update the Board at the May Board meeting.

NEW BUSINESS

Michael Dunbar reported that Director Duane Cave has withdrawn his name for nomination for the Regular Special District Member of LAFCO.

CORRESPONDENCE

Michael Dunbar explained that all the correspondence included in the Board Packet was related to the LAFCO Board candidates and was included to assist the Board in their decision making process.

BOARD REPORTS

General Manager's Report. Michael Dunbar reported his March 2018 activities to the Board of Directors.

DIRECTOR'S COMMENTS

Ad Hoc Report – Susan Thomas and John McDermott volunteered to establish a Personnel Committee under President Marconi's direction. President Marconi asked them to review General Manger's performance, and contact each of the District's members within the next few months for their input.

CLOSED SESSION

Under provisions of Government Code Section 54956.9(d) (2), the Board entered closed session at 7:10 p.m. to discuss the items listed on the agenda:

1. Conference with Legal Counsel – Existing Litigation: Pursuant to Government Code Section 54956.9 – South Orange County Wastewater Authority et al v. Moulton Niguel Water District, OCSC Case No. 30-2017-00923143.
2. Conference with Legal Counsel – Anticipated Litigation: Pursuant to Government Code Section 54956.9 (d) (2) – two potential cases.

OPEN SESSION

At 7:30 p.m. the Board returned to open session. No reportable actions were taken in closed session.

LEGAL COUNSEL'S REPORT

General Counsel Allison Burns reported on various matters that she has been working on with the General Manager, Michael Dunbar.

The next regularly scheduled meeting on Wednesday, May 16, 2018 at 5:30 p.m.

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ADJOURNMENT

The meeting was adjourned at 7:35 p.m.



John Marconi, President



Cathy Lovitt, Recording Secretary