

**EMERALD BAY SERVICE DISTRICT BOARD OF DIRECTORS
SPECIAL TELECONFERENCE MEETING PURSUANT TO
GOVERNOR'S ORDER N-29-20
Wednesday, April 21, 2021**

Present: John Marconi, President
Susan Thomas, Vice President
James Flynn, Treasurer
John McDermott, Secretary
Daniel Hoefflin, Director (newly appointed)

Also Present: Michael Dunbar, General Manager
Susan Olmstead-Bowen, Director of Finance
Cathy Lovitt, Recording Secretary
Allison Burns, Attorney, SYCR

CALL TO ORDER

The meeting was called to order with the Board of Directors participating in person and the public provided access via Zoom Teleconference at 5:30 pm by President John Marconi. The Pledge of Allegiance was recited.

CERTIFICATION OF POSTING

Cathy Lovitt, Recording Secretary who attended the meeting via zoom, reported that the agenda for the 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 pm on Friday, April 16, 2021.

PUBLIC COMMENTS

None

President Marconi requested that a plaque or resolution be presented to Director Phil deCarion as a thank you for his outstanding service.

President Marconi advanced ACTION ITEM 1 forward on the agenda.

1. Appoint Director to Fill the Vacancy on District's Board of Directors Pursuant to Government Code Section 1780. Michael Dunbar reported that Director deCarion submitted his resignation effective March 17, 2021 after serving 5 very successful years on the Board. Upon Director deCarion's resignation, the Board directed staff to take the procedural steps necessary to fill the vacancy pursuant to Sections 1780 and 61042 of the Government Code. Staff provided a notice of vacancy to the Orange County Registrar of Voters on March 17, 2021 as well as posting the public notice in three places within the Emerald Bay Community. Staff received one request to fill the vacancy from Mr. Daniel Hoefflin, 911 Emerald Bay and he additionally provided an email expressing his interest to serve as a director on the Board.

John Marconi made a motion to appoint Daniel Hoefflin as the Director to fill the vacancy on the District's Board of Directors pursuant to Government Code Section 1780. The motion was seconded by John McDermott and passed unanimously.

Allison Burns administered the Oath of Office to Daniel Hoefflin, and he was seated as the new Board Member. Daniel thanked the Board for this opportunity to serve on such a distinguished board.

APPROVAL OF MINUTES

The Board discussed the minutes of the March 16, 2021 Special Meeting of the Board of Directors and approved the minutes as written.

James Flynn made a motion to approve the March 16, 2021 Special Meeting Minutes as written, the motion was seconded by Susan Thomas and passed unanimously.

REVIEW OF FINANCIAL MATTERS

The Board discussed the financial reports as presented. James Flynn gave Daniel Hoefflin a brief synopsis of the Service District's financials.

DEPOSITS

Total deposits were \$206,848.61 for March 2021.

INVOICES FOR PAYMENT

Invoices for payment totaled \$231,457.50 for the period ended April 14, 2021.

Susan Thomas made a motion to approve the invoices for payment for the period ended April 14, 2021. The motion was seconded by John McDermott and passed unanimously.

ACTION ITEMS

2. Authorize the General Manager to Enter into a contract with Pyro Spectaculars, Inc. for the July 4th Fireworks Display in the Amount Not-to-exceed \$42,051. Michael Dunbar informed the Board that Pyro Spectaculars has submitted a proposal to provide the fireworks program which includes over 1,740 fireworks over an 18–20-minute period scheduled to begin at 9:30 p.m. on July 4th. The fee for the July 4th Celebration of Fireworks of \$42,051 does not include permit fees from the OCFA, estimated to be \$2,051. Due to the fact that there may be a question as to holding this year's event because of COVID, staff has reached out to Pyro Spectaculars, Inc. about a postponement or rescheduling of the event. Michael Dunbar reported that there is a reschedule clause in the contract of 15% or approximately a \$6,000 reschedule fee if the event is cancelled for July 4th. The rescheduled event could be rescheduled up to January 1, 2022 without further penalty. Staff has reviewed the proposal with legal counsel on the cancellation provisions; the Board believes this event should be held and would boost the spirit of the Community.

Susan Thomas made a motion to authorize the General Manager to enter into a contract with Pyro Spectaculars Inc., for the July 4th Fireworks Display in an amount not-to-exceed \$42,051 and an amount not-to-exceed \$2,051 for permit fees to the Orange County Fire Authority. The motion was seconded by John McDermott and passed unanimously.

3. Authorize the General Manager to Enter into a Contract with Pacific Tugboat Service for the July 4th Fireworks Display in the Amount Not-to-exceed \$29,424. Michael Dunbar informed the Board that Pacific Tugboat Services submitted their annual proposal of \$29,424. Staff has reached out to Pacific Tugboat Services in case the event is cancelled again this year who stated that there is a cancellation fee which is a gradual amount up to the day of the event. The tugboat is contracted to coordinate with Pyro Spectaculars, Inc. Pacific Tugboat supplies a barge which displays and launches the fireworks, and a tugboat to tow the barge to the site for the July 4th celebration fireworks show.

John Marconi made a motion to authorize the General Manager to enter into a contract with Pacific Tugboat Service for the July 4th Fireworks display in an amount not-to-exceed \$29,424. The motion was seconded by Susan Thomas and passed unanimously.

4. Authorize the General Manager to Enter into a Contract with the Lowest Responsive, Responsible Bidder for the Annual Fuel Management Project not-to-exceed \$35,000. Michael Dunbar reported that staff is requesting prior authorization of up to \$40,000 for the Fuel Management Project for the exterior perimeter of Emerald Bay and that the funds would be from the District's Reserve for Future Contingency funds. James Dockstader, landscape architect, will meet with staff and the Orange County Fair Authority (OCFA) to review the requirements for the project. Per the contract, Mr. Dockstader will visit the site and tag the plants that will be protected from weeding or removal. He will also prepare the bid documents that will be sent out to three prequalified landscape companies that will submit bids for the fuel management project. Staff would like to award a contract prior to the May Board meeting to allow the successful bidder to begin work the first week of June and be finished by July 4th.

James Flynn made a motion to authorize the General Manager to enter into a contract with the lowest responsive, responsible bidder for the annual Fuel Management Project not to exceed \$35,000. The motion was seconded by Susan Thomas and passed unanimously.

5. Authorize the General Manager to Enter into a Contract with Regatta Solutions for the Emergency Generator Project at the Community Center at a cost of \$109,311. Michael Dunbar reported that the Service District has funded the Community Emergency Response Team (CERT) under its security and law enforcement powers. Currently, CERT owns and maintains a dedicated computer for its operations in case of a declared emergency. This computer can be powered by a portable diesel emergency generator. The CERT leadership has discussed the need for a more environmentally friendly emergency generator. The District retained the services of Gladstein, Neandross & Associates to review options for a dedicated emergency generator for not only the computer but the entire Community Center as it would need to be operational in

case of a power outage. The results of the study indicated that a natural gas emergency generator would allow the Community Center to operate for a period of at least 3 weeks, subject to the natural gas supply. The District prepared plans and specifications for the emergency generator which will be located adjacent to the Community Center, along the slope. Those plans and specifications were sent to three prospective bidders. The District received only one bid from Regatta Solution for \$109,311 which is significantly higher than the initial estimate they provided, citing the increase due to prevailing wages and current workload. Mr. Dunbar also noted that in addition to the emergency generator, the District would need to install a natural gas pipeline from the pool access road to the emergency generator site. Those plans and specifications are under a separate contract and the cost estimate for this portion of the work is approximately \$50,000. Michael Dunbar reported that in discussion with staff, we would like to postpone this project to later in the year when other bids may be available from other companies.

After discussion, the Board of Directors directed the General Manager to reject all bids and direct staff to review the plans and specifications for rebidding at a later time.

Susan Thomas made a motion to authorize the General Manager to reject all bids and direct staff to review the plans and specifications for rebidding at a later time. The motion was seconded by James Flynn and passed unanimously.

CORRESPONDENCE

None

GENERAL MANAGER'S REPORT

Michael Dunbar reported his March 2021 activities to the Board of Directors.

AD HOC REPORTS

Susan Thomas reported that the Strategic Planning Committee is moving forward with certain language being reviewed.

Director Thomas also reported that the committee has been meeting to address the Service District's desire to provide additional services to the community and efforts to coordinate those services with the Community Association in order to serve the community's needs.

DIRECTOR'S COMMENTS

None

The next Board meeting is scheduled for Wednesday, May 19, 2021.

LEGAL COUNSEL'S REPORT

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

CLOSED SESSION

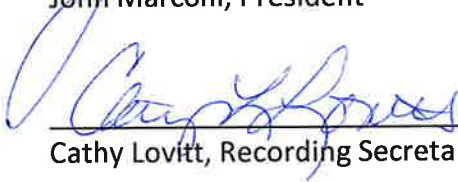
The Board went into Closed Session at 6:55p.m. There was no reportable action taken by the Board.

ADJOURNMENT

The meeting was adjourned at 7:05 p.m.



John Marconi, President



Cathy Lovitt, Recording Secretary