

**EMERALD BAY SERVICE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING
Monday, May 21, 2018**

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

ABSENT: John McDermott, Vice President

ALSO PRESENT: Michael Dunbar, General Manager
Allison Burns, Attorney, Stradling Yocca Carlson & Rauth
Susan Olmstead-Bowen, Director of Finance
Cathy Lovitt, Recording Secretary, Member Services Administrator

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

Susan Olmstead-Bowen, Director of Finance, 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 May 11, 2018.

PUBLIC COMMENT

None

MINUTES

The Board discussed the minutes of the Special Meeting of the Board of Directors of April 18, 2018 and approved the minutes as written.

Susan Thomas 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 April were \$662,606.52.

INVOICES FOR PAYMENT

Invoices for payment totaled \$89,174.00 for the period ending May 14, 2018.

James Flynn made a motion to approve the invoices for payment for the period ending May 14, 2018 totaling \$89,174.00. The motion was seconded by Philip deCarion and unanimously approved.

ACTION ITEMS

1. Selection of Regular Member and Alternate Member for Special District position for the Orange County Local Agency Formation Commission. Michael Dunbar reported that the Local Agency Formation Commission of Orange County (LAFCO) is holding elections for candidates for regular and alternate members. At the April 18, 2018 Service District meeting, Doug Davert from East Orange County Water District and Jim Fisler from Mesa Water District were among the guest presenters. Mr. Dunbar reported that he has worked with each of these candidates and recommends selecting Doug Davert as Regular Member and Jim Fisler as Alternate Member. The Board authorized President Marconi to sign the ballot and direct Michael Dunbar as General Manager to send the ballot to LAFCO.

Susan Thomas made a motion to authorize President Marconi to cast the Emerald Bay Service District's vote for Doug Davert and Jim Fisler for the LAFCO positions. The motion was seconded by James Flynn and unanimously approved.

OLD BUSINESS

1. Storm Water Run-off. Michael Dunbar reported that the notices and letters sent to Emerald Bay residents that appear to have excessive run-off seem to be working well. Mr. Dunbar indicated that this is an educational process, and homeowners are encouraged to talk to their gardeners or landscapers to avoid water run-off and adjust the water flow accordingly.

NEW BUSINESS

1. Election Information for the November 6, 2018 General Election. Michael Dunbar reported that the Registrar of Voters requests a Transmittal of Election Information form naming those Service District Directors whose terms expire and whose seats will be scheduled for election on November 6, 2018. This includes any Directors appointed since the last election. The District will pay for each Candidate's Statement of Qualifications and has authorized 200 words to be used in that statement. President Marconi instructed Mr. Dunbar to provide an outline of timelines to those Directors who need to complete this form and to add to the next Service District meeting agenda.

CORRESPONDENCE

None

BOARD REPORTS

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

AD HOC REPORTS

None

STRATEGIC PLANNING COMMITTEE REPORT

Susan Thomas reported that she and Philip deCarion will be reviewing the Management contract with the Community Association as well as Michael Dunbar's annual review by the Board.

CLOSED SESSION

Under provisions of Government Code Section 54956.9(d) (2), the Board entered closed session at 5:50 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 6:20 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.

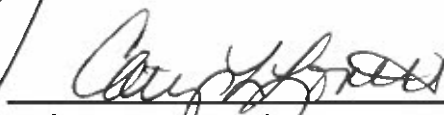
The next regularly scheduled meeting on Wednesday, June 20, 2018 at 5:30 p.m.

ADJOURNMENT

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



John Marconi, President



Cathy Lovitt, Recording Secretary