

**MINUTES OF THE 738TH MEETING**  
**BOARD OF TRUSTEES**  
Orange County Vector Control District

TIME: 3:00 P.M., May 15, 2008

PLACE: 13001 Garden Grove Blvd., Garden Grove, CA 92843

TRUSTEES PRESENT:

Stanton	Al Ethans, President		
Cypress	Sandra Montez, Vice-President		
San Clemente	Joe Anderson, Secretary		
Aliso Viejo	Phillip B. Tsunoda	La Habra	James Gomez
Anaheim	Lucille Kring	La Palma	Larry A. Herman
Brea	Roy Moore	Los Alamitos	Ken C. Parker
Buena Park	Jim Dow	Mission Viejo	Gail Reavis
Costa Mesa	Wendy Leece	Newport Beach	Dr. Virginia L. Barrett
Dana Point	Wayne Rayfield	Orange	Denis Bilodeau
Fountain Valley	Cheryl Brothers	Placentia	Greg Sowards
Garden Grove	Dr. Sheldon S. Singer	San Juan Capistrano	Laura Freese
Huntington Beach	Joe Carchio	Santa Ana	Fred S. Bella
Irvine	Rosemary Dugard	Seal Beach	Michael Levitt
Laguna Beach	Toni Iseman	Tustin	Lou Bone
Laguna Hills	Melody Carruth	Villa Park	Richard A. Freschi
Laguna Niguel	Joe Brown	Westminster	Frank Fry, Jr.
Laguna Woods	Dr. Robert Bouer	County of Orange	R. Paul Webb

TRUSTEES ABSENT:

Fullerton	Sharon Quirk	Rancho Santa Margarita	Gary Thompson
Lake Forest	Jean D. Jambon	Yorba Linda	Jim Winder

OTHERS PRESENT:

Gerard Goedhart, District Manager  
Lawrence H. Shaw, Assistant Manager/Director of Operations  
Michael G. Hearst, Director of Communications  
Robert Cummings, Director of Scientific Technical Services  
Tawnia Pett, Public Outreach Coordinator  
Allyson Reinig, Vector Control Inspector III  
John Parsons, Vector Control Inspector III  
Laura Krueger, Assistant Vector Ecologist  
Julie Romo, Operations Clerk  
Alan R. Burns, District Counsel  
Viki Blaylock, Executive Assistant/Clerk of the Board

1. **Pledge of Allegiance:** President Ethans called the meeting to order at 3:00 p.m. and asked Trustee Sowards to lead the Pledge of Allegiance
  
2. **Roll Call:** Roll call indicated 26 Trustees present, with Trustees Tsunoda, Leece, Iseman, Carruth, and Fry arriving shortly thereafter, making a total of 31 Trustees present out of the current Board membership of 35.
  
3. **Introduction of Visitors:** Dennis Yu, Public Agency Retirement Services (PARS); Gerard van Steyn, SCI Consulting Group; and Cheri Carroll, Accounting Manager, Business Customer Division, Edison Company.
  
4. **Public Participation:** None.
  
5. **District Manager Information Items:** None.
  - 5A - **Introduction of New Employee:** Robert Cummings, Director of Scientific Technical Services, introduced Laura Krueger, Assistant Vector Ecologist.
  
  - 5B - **Edison Presentation:** Larry Shaw, Assistant District Manager/Director of Operations, introduced Cheri Carroll, Accounting Manager, Business Customer Division, Edison Company. Ms. Carroll gave a presentation on the Edison Company's analysis of District facilities and other available energy savings. A confidential Edison Energy Report was submitted to the Board.
  
6. **Consent Calendar – Items Approved by General Consent:** On motion by Trustee Webb, seconded by Trustee Kring, and passed by unanimous vote, the Board of Trustees approved the following Consent Calendar items:
  - 6A - **Authorized Disposal of Two Vehicles:** Authorized the disposal of two vehicles at General Auction: 1) Fleet No. 186, 1996 Chevy 1500 4x4 Pick Up Truck; and 2) Fleet No. 188, 1997 Chevy 1500 Pick Up Truck. These vehicles will be sent to General Auction.
  
  - 6B - **Report of District Activities:** Received and Filed: Enclosed with the Agenda was the Report of District Activities as submitted by staff to the Board of Trustees by separate report dated May 9, 2008.

7. **Approval of Minutes:** On motion by Trustee Fry, seconded by Trustee Singer, and passed by unanimous vote, the Board of Trustees approved without reading the Minutes of the 737th Meeting of the Board of Trustees held April 17, 2008.
  
8. **Accepted and Approved the Monthly Financial Report and Warrant Register:** The Board of Trustees accepted and approved items (A) and (B) below.
  - 8A - On motion by Trustee Gomez, seconded by Trustee Parker, and passed by unanimous vote, the Board of Trustees accepted for inclusion as Exhibit I (attached) the Orange County Vector Control District Monthly Financial Report for the period ending April 30, 2008.
  
  - 8B - On motion by Trustee Fry, seconded by Trustee Kring, and passed by unanimous vote, the Board of Trustees received and filed approval of payment of Warrants Register dated May 15, 2008 (Exhibit II) in the amount of \$493,709.53 as presented by In-House Check Runs dated April 1, 10, 15, 21, 24, and 29, 2008.
  
9. **Conducted Public Hearing to Consider the Ordering of Services and Projects, and Levy of the Assessments for Fiscal Year 2008-09 for Orange County Vector Control District Vector Surveillance and Control Assessment District (District No. 1), and the Mosquito, Fire Ant and Disease Control Assessment (District No. 2); and**

**Adopted Resolution No. 329, Approving the Engineer's Reports, Confirming the Assessment Diagram and Assessment, and Ordering the Levy of the Assessment for Fiscal Year 2008-09 for the Vector Surveillance and Control Assessment District (District No. 1), and for the Mosquito, Fire Ant and Disease Control Assessment (District No. 2):**

**Opened Public Hearing for Assessment of District No. 1:** At 3:20 p.m. President Ethans opened the Public Hearing to consider the ordering of services and projects, and the levy of the assessments for fiscal year 2008-09 for the proposed continuation of the assessment of District No. 1.

**Closed Public Hearing:** There being no public participation, President Ethans closed the Public Hearing at 3:20 p.m.

**Opened Public Hearing for Assessment of District No. 2:** At 3:21 p.m. President Ethans opened the Public Hearing to consider the ordering of services and projects, and the levy of the assessments for fiscal year 2008-09 for the proposed continuation of the assessment of District No. 2.

**Closed Public Hearing:** There being no public participation, President Ethans closed the Public Hearing at 3:21 p.m.

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9. **Public Hearing/Adopt Resolution No. 329:** (continued)

On motion by Trustee Webb, seconded by Trustee Kring, and passed by majority roll call vote, the Board of Trustees adopted Resolution No. 329 (Exhibit A), entitled Approving the Engineer's Reports, Confirming the Assessment Diagram and Assessment, and Ordering the Levy of Assessments for Fiscal Year 2008-09 for the Vector Surveillance and Control Assessment District (District No. 1), and for the Mosquito, Fire Ant and Disease Control Assessment (District No. 2).

AYES: Trustees Tsunoda, Kring, Moore, Dow, Leece, Montez, Rayfield, Brothers, Singer, Carchio, Dugard, Iseman, Carruth, Brown, Bouer, Gomez, Herman, Parker, Reavis, Barrett, Bilodeau, Sowards, Anderson, Freese, Bella, Levitt, Ethans, Bone, Fry, and Webb.

NOES: Trustee Freschi.

ABSTAINED: None.

ABSENT: Trustees Quirk, Jambon, Thompson, and Winder.

Maximum Assessment Rates and Actual Rates Levied: The maximum authorized assessment rate is the maximum assessment rate that can be levied in the given fiscal year without approval from property owners in another assessment ballot proceeding.

The assessments for District No. 1 do not include an authorized annual increase in the assessment rates. Therefore, the historical assessment rate of \$1.92 per single family home is also the maximum authorized assessment rate for fiscal year 2008-09. The proposed assessments for District No. 1 at this rate of assessment would generate approximately \$1,510,567 in assessments.

The assessments for District No. 2 included an annual increase equal to the change in the Los Angeles Area Consumer Price Index ("CPI"), not to exceed 3 percent per year. This means that in each subsequent fiscal year after 2004-05 the maximum authorized assessment rate increases by an amount equal to the annual change in the CPI, but not more than 3 percent.

In fiscal year 2004-05, the District No. 2 assessments were levied at the maximum rate for that fiscal year. Since this first fiscal year for assessments, the assessments have been levied below the maximum authorized rate.

The table shown below depicts the historical assessment rates levied in District No. 2 and the maximum authorized rate for each fiscal year, including the rates proposed for fiscal year 2008-09. From January 2007 to January 2008, the CPI increased 4.16 percent, so the maximum authorized assessments can be increased by 3 percent and the additional increase in the CPI above 3 percent is added to the uncaptured excess. The District retains the ability to levy up to the maximum authorized rate without conducting a ballot proceeding.

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9. **Public Hearing/Adopt Resolution No. 329:** (continued)

**Maximum Authorized Assessment Rate and Actual Rates by Year**

FY	CPI History	Maximum Authorized % Change	Uncaptured Excess	Maximum Authorized Assessment Rate District #2	Actual/Proposed Assessment Rate Levied District #2	Actual/Proposed Assessment Revenues District #2	Actual/Proposed Assessment Revenues District #1
2004-05	N/A			\$ 5.42	\$ 5.42	\$ 4,306,278.44	\$ 1,488,269.88
2005-06	3.66%	3.00%	0.66%	\$ 5.58	\$ 5.30	\$ 4,263,641.78	\$ 1,489,599.38
2006-07	5.42%	3.00%	3.08%	\$ 5.75	\$ 5.25	\$ 4,264,508.72	\$ 1,501,507.06
2007-08	3.16%	3.00%	3.24%	\$ 5.92	\$ 5.14	\$ 4,196,516.50	\$ 1,505,044.40
2008-09	4.16%	3.00%	4.40%	\$ 6.10	\$ 5.10	\$ 4,180,451.00	\$ 1,510,567.00

Final assessment revenues submitted to the County Auditor, which are slightly different than the preliminary amounts listed for the Engineer's Reports.

Therefore, if needed, the District could have levied the assessments for fiscal year 2008-09 for District No. 2 at the maximum authorized rates of \$6.10 per single family equivalent without another ballot proceeding. (No additional ballot proceeding would be required because the maximum authorized assessment rates, including the annual adjustments in these rates, were approved in the 2004 ballot proceeding.)

At the Board meeting on April 17, 2008, the Board preliminarily approved the proposed assessment rate for fiscal year 2008-09 of \$5.10. Since the Board previously approved the assessment rate of \$5.10, a higher rate cannot be levied for fiscal year 2008-09. However, in future years, the actual rate levied can be revised up or down by any amount that does not cause the actual rates levied to exceed the maximum authorized assessment rates. The notice for these Public Hearings was published in both the Orange County Register and the Los Angeles Times.

10. **Approved PARS Health Care Trust Implementing Agreements:** The Board of Trustees approved the following documents and authorized the execution thereof by the President, Secretary, Manager, and/or Director of Administrative Services, as appropriate, to finalize the implementation of the Public Agency Retirement Services (PARS) Health Care Plan Trust Program. Financial Reports will be sent to the District on a monthly basis, and will be given to the Budget and Finance Committee. The Committee will meet with representatives from PARS and Union Bank on a quarterly basis to review trust performance and market conditions.

10A - On motion by Trustee Fry, seconded by Trustee Freese, and passed by unanimous vote, the Board of Trustees approved the Investment Guidelines Document (Exhibit B).

10B - On motion by Trustee Kring, seconded by Trustee Webb, and passed by unanimous vote, the Board of Trustees approved the Adoption Agreement to the Public Agencies Post-Retirement Health Care Plan (Exhibit C), with attachments: 1) Master Plan Document, and 2) Trust Agreement.

10C - On motion by Trustee Fry, seconded by Trustee Rayfield, and passed by unanimous vote, the Board of Trustees approved the Agreement for Administration Services (Exhibit D).

- 11. **Authorized District Manager Settlement Authority for OCERS Liability:** On motion by Trustee Anderson, seconded by Trustee Reavis, and passed by unanimous vote (Absent: Trustees Quirk, Jambon, Thompson, Freschi, and Winder), the Board of Trustees authorized the District Manager settlement authority up to \$2,033,588 to settle the demand of Orange County Employees Retirement System (OCERS). The actuarial report from OCERS is attached as Exhibit E.
  
- 12. **Written Communications - Trustee Reports from the MVCAC Conference:** Received and Filed: Attached as Exhibit F are reports from Trustees Dugard, Ethans, Herman, Montez, and Singer that were submitted after attendance at the 2008 Annual Conference of the Mosquito and Vector Control Association of California. These reports are required to comply with AB 1234.
  
- 13. **Adjournment:** There being no further business for the Board's consideration, President Ethans adjourned the meeting at 4:00 p.m.

I certify that the above Minutes substantially reflect the actions taken by the Board of Trustees at its meeting held May 15, 2008.

\_\_\_\_\_  
Gerard Goedhart, District Manager

Approved as written and/or corrected by the Board of Trustees at its \_\_\_\_\_  
\_\_\_\_\_ meeting held \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Secretary