

# MINUTES OF THE 751ST MEETING (AMENDED)

## BOARD OF TRUSTEES

Orange County Vector Control District

TIME: 3:00 P.M., June 18, 2009

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

### TRUSTEES PRESENT:

Cypress	Sandra Montez, President		
San Clemente	Joe Anderson, Vice President		
Brea	Roy Moore, Secretary		
Aliso Viejo	Phillip B. Tsunoda	La Palma	Larry A. Herman
Anaheim	Lucille Kring	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	Steven H. Weinberg	Placentia	Greg Sowards
Fountain Valley	Cheryl Brothers	Rancho Santa Margarita	Gary Thompson
Fullerton	Dr. F. Richard Jones	Santa Ana	Fred S. Bella
Huntington Beach	Joe Carchio	Seal Beach	Michael Levitt
Irvine	Rosemary Dugard	Stanton	Al Ethans
Laguna Beach	Toni Iseman	Tustin	Lou Bone
Laguna Hills	Melody Carruth	Villa Park	James Rheins
Laguna Niguel	Robert Ming	Westminster	Frank Fry, Jr.
Laguna Woods	Dr. Robert Bouer	Yorba Linda	Jim Winder
Lake Forest	Jean D. Jambon	County of Orange	John M. W. Moorlach

### TRUSTEES ABSENT:

Garden Grove	VACANT	Orange	Denis Bilodeau
La Habra	James Gomez	San Juan Capistrano	Laura Freese

### OTHERS PRESENT:

Gerard Goedhart, District Manager	Lawrence H. Shaw, Asst. Manager/Dir. of Oper.
Michael G. Hearst, Director of Communications	Steven Koenig, Sr. Vector Control Inspector III
Kelly Price, Director of Administrative Services	Miguel Arias, Vector Control Inspector III
Robert Cummings, Dir. of Scientific Technical Services	Charlie Cassidy, Vector Control Inspector III
Amber Semrow, Biologist	John Drews, Vector Control Inspector III
Debi Kimball, Accounting Supervisor	Carlos Martinez, Vector Control Inspector III
Tawnia Pett, Public Outreach Coordinator	John Parsons, Vector Control Inspector III
Lora Babilo, Communications Specialist	Allyson Reinig, Vector Control Inspector III
Jodie Stoddard, IT Coordinator	John Newton, Vector Control Inspector II
Alan R. Burns, District Counsel	Julie Romo, Operations Clerk
Viki Blaylock, Executive Assistant/Clerk of the Board	

1. **Pledge of Allegiance:** President Montez called the meeting to order at 3:00 p.m. and asked Trustee Leece to lead the Pledge of Allegiance.
2. **Roll Call:** Roll call indicated 30 Trustees present, with Trustee Tsunoda arriving shortly thereafter, making a total of 31 out of the current Board membership of 35.
3. **Introduction of Visitors:** Michael G. Hearst, Director of Communications, introduced visitors: Gerard van Steyn, SCI Consulting Group; and Kathleen Moran, Executive Assistant, Office of Supervisor Moorlach.
4. **Public Participation:** None.
5. **Committee Reports:**
  - 5A - **Budget and Finance Committee:** The Budget and Finance Committee met at 10:00 a.m. on June 10 to discuss the Retiree Medical Trust Fund. Chairperson Parker reported that on motion by Trustee Kring, seconded by Trustee Weinberg, and passed by a majority vote (3 to 2) the committee moved to accept and maintain a moderate investment strategy.  
  
Chairperson Parker also reported that on motion by Trustee Weinberg, seconded by Trustee Kring, and passed by unanimous vote, the committee moved to transfer \$724,000 to the Retiree Medical Trust Fund within a 12 month period beginning on July 1, 2009.
  - 5B - **Operations Committee:** The Operations Committee met at 2:15 p.m. prior to the Board meeting to discuss outsourcing with an overview of those tasks referred and outsourced to private businesses. Chairperson Leece reported that the committee will continue next month with the following agenda: 1) Review functions where outsourcing is feasible, 2) Methodology for obtaining market interest; 3) Prioritization of areas to approach; 4) Timing in view of workload schedules.
6. **District Manager Information Items:**
  - 6A - **Graduate Recognition:** Michael G. Hearst, Director of Communications, recognized three Communications Department employees who recently graduated: Lora Babilo, Communications Specialist, received her Masters in Public Administration from California State University, Fullerton; Tawnia Pett, Public Outreach Coordinator, received her Masters in Business Administration from University of California, Irvine; and Jodie Stoddard, Information Technology Coordinator, received her Bachelors of Science in Management, Operations Management, and Management Information Systems from California State University, Long Beach.
  - 6B - **National Cotton Council vs. EPA Decision:** District Counsel Burns gave an update on the National Cotton Council vs. EPA Decision reporting there has been a two year stay.
  - 6C - **WNV Update:** Robert Cummings, Director of Scientific Technical Services, gave an update on West Nile virus (WNV).

7. **Consent Calendar – Items Approved by General Consent:** On motion by Trustee Brothers, seconded by Trustee Leece, and passed by unanimous vote, the Board of Trustees approved the following Consent Calendar Item, with the exception of Agenda Items 7A, 7B, and 7C, which were pulled for discussion and separate action.
  - 7D - **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 June 12, 2009.
7. **Consent Calendar:** The following Consent Calendar items were pulled and separate action was taken as follows:
  - 7A- **Deferred Adoption of 2009-10 Investment Policy for Monies of Orange County Vector Control District:** The adoption of Policy No. 38, entitled “Orange County Vector Control District Statement of Investment Policy for Fiscal Year 2009-10,” has been deferred for further review by the Budget and Finance Committee with the changes recommended by Trustees Anderson and Moorlach incorporated into the policy.
  - 7B - **Approved Job Description for Accounting Specialist; and Adopted Resolution No. 343, Amendment to Personnel and Salary Resolution No. 321 to Reclass Accounting Clerk Position to Accounting Specialist:** On motion by Trustee Brothers, seconded by Trustee Ming, and passed by unanimous vote, the Board of Trustees approved the job description for the Accounting Specialist (Exhibit A); and adopted Resolution No. 343 (Exhibit B) amending Personnel and Salary Resolution No. 321. The new reclassified position of Accounting Specialist will be paid at the A-44 salary range, \$3,937 - \$4,891/month (prior range was A-41 salary range, \$3,629 - \$4,509/mo).
  - 7C - **Approved Contract with QLAN Corporation for Managed Services:** On motion by Trustee Brothers, seconded by Trustee Kring, and passed by majority vote (Noes: Trustees Leece and Herman), the Board of Trustees authorized the revised contract (Exhibit C) with QLAN Corporation for managed services at a cost of \$2,750 per month, without an automatic renewal clause.
8. **Approval of Minutes:** On motion by Trustee Kring, seconded by Trustee Carchio, and passed by majority vote (Abstained: Trustee Carruth), the Board of Trustees approved without reading the Minutes of the 750th Meeting of the Board of Trustees held May 21, 2009.
9. **Accepted and Approved the Monthly Financial Report and Warrant Register:** The Board of Trustees accepted and approved items (A) and (B) below.
  - 9A - On motion by Trustee Kring, seconded by Trustee Carruth, and passed by unanimous vote, the Board of Trustees accepted for inclusion as Exhibit I the Orange County Vector Control District Monthly Financial Report for the period ending May 31, 2009.
  - 9B - On motion by Trustee Brothers, seconded by Trustee Kring, and passed by unanimous vote, the Board of Trustees received and filed approval of payment of Warrants Register dated June 18, 2009 (Exhibit II) in the amount of \$423,785.73 as presented by In-House Check Runs dated May 7, 12, 13, 22, 26, and 27, 2009.

- 10. **Conducted Public Hearings to Consider the Ordering of Services and Projects, and Levy of the Assessments for Fiscal Year 2009-10 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. 344, Approving the Engineer's Reports, Confirming the Assessment Diagram and Assessment, and Ordering the Levy of the Assessment for Fiscal Year 2009-10 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 4:25 p.m. President Montez opened the Public Hearing to consider the ordering of services and projects, and the levy of the assessments for fiscal year 2009-10 for the proposed continuation of the assessment of District No. 1.

**Closed Public Hearing:** There being no public participation, President Montez closed the Public Hearing at 4:25 p.m.

**Opened Public Hearing for Assessment of District No. 2:** At 4:26 p.m. President Montez opened the Public Hearing to consider the ordering of services and projects, and the levy of the assessments for fiscal year 2009-10 for the proposed continuation of the assessment of District No. 2. Trustee Leece requested to speak as a member of the public and addressed the Board.

**Closed Public Hearing:** There being no public participation, President Montez closed the Public Hearing at 4:29 p.m.

The following motion was presented by Trustee Ming, seconded by Trustee Leece, and failed by a vote of 23 to 7:

- 1. The Board rejects the consultant’s report in its present form and requests that a new report be prepared that includes the following:
  - a. Only expenses from RIFA and West Nile Virus programs should be paid for with second assessment dollars and no general operations expenses.
  - b. The report must include a more detailed analysis of which properties are impacted by those specific services; and
  - c. The report must include a proportional formula that is not based on SFEs, but on the historical cost of services provided in specific areas.
- 2. The report should be brought back to the Board at a special meeting before the end of the month for a first reading, followed by a second special meeting thirty days later before the end of July.

**AYES:** Trustees Leece, Brothers, Carruth, Ming, Parker, Bone, and Moorlach.

**NOES:** Trustees Tsunoda, Kring, Moore, Montez, Weinberg, Jones, Carchio, Dugard, Iseman, Bouer, Jambon, Herman, Reavis, Barrett, Sowards, Thompson, Anderson, Bella, Levitt, Ethans, Rheins, Fry, and Winder.

**ABSTAINED:** Trustee Dow.

**ABSENT:** Trustees Gomez, Bilodeau, and Freese.

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**10. Public Hearings/Adopted Resolution No. 344:** (continued)

On motion by Trustee Barrett, seconded by Trustee Kring, and passed by majority vote, the Board of Trustees adopted Resolution No. 344 (Exhibit D), entitled “Approving the Engineer’s Reports, Confirming the Assessment Diagram and Assessment, and Ordering the Levy of Assessments for Fiscal Year 2009-10 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, Montez, Weinberg, Jones, Carchio, Dugard, Iseman, Bouer, Jambon, Herman, Reavis, Barrett, Sowards, Thompson, Anderson, Bella, Levitt, Ethans, Rheins, Fry, and Winder.

**NOES:** Trustees Dow, Leece, Brothers, Carruth, Ming, Parker, Bone, and Moirlach.

**ABSTAINED:** None.

**ABSENT:** Trustees Gomez, Bilodeau, and Freese.

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 cannot increase without a new assessment ballot proceeding. Therefore, the historical assessment rate of \$1.92 per single family home is also the maximum authorized assessment rate for fiscal year 2009-10. The proposed assessments for District No. 1 at this rate of assessment would generate approximately \$1,520,662 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% (three percent) per year. This means that in each subsequent fiscal year after 2004-05 the maximum authorized assessment rate increases by an amount equal the annual change in the CPI, but not more than 3%.

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 2009-10. From January 2008 to January 2009, the change in the CPI was a negative 0.09%. Including the CPI change in 2008, the unused portion of CPI increase accrued from previous year’s totals to 4.20%, so the total unused CPI change at the beginning of fiscal year 2009-10 is 4.11%. As a result, the maximum authorized assessments for fiscal year 2009-10 increase by 3% and the unused CPI at the end of this fiscal year is 1.11%. (The District retains the ability to levy up to the maximum authorized rate without conducting a ballot proceeding.)

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10. **Public Hearing/Adopted Resolution No. 344:** (continued)

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

Orange County Vector Control District								
FY	CPI History	Maximum Authorized % Change District #2	Unused CPI District #2	Maximum Authorized Assessment Rate District #2	Actual/ Proposed Assessment Rate Levied District #2	Actual/ Proposed Assessment Revenues District #2	Maximum and Levied Asmt Rate District #1	Actual/ Proposed Assessment Revenues District #1
2004-05	N/A			\$ 5.42	\$ 5.42	\$ 4,306,278.44	\$ 1.92	\$ 1,488,269.88
2005-06	3.66%	3.00%	0.66%	\$ 5.58	\$ 5.30	\$ 4,263,641.78	\$ 1.92	\$ 1,489,599.38
2006-07	5.42%	3.00%	3.08%	\$ 5.75	\$ 5.25	\$ 4,264,508.72	\$ 1.92	\$ 1,501,507.06
2007-08	3.16%	3.00%	3.24%	\$ 5.92	\$ 5.14	\$ 4,196,516.50	\$ 1.92	\$ 1,505,044.40
2008-09	3.96%	3.00%	4.20%	\$ 6.10	\$ 5.10	\$ 4,180,451.00	\$ 1.92	\$ 1,510,567.00
2009-10	-0.09%	3.00%	1.11%	\$ 6.28	\$ 5.06	\$ 4,178,622.94	\$ 1.92	\$ 1,520,661.72

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

At the Board meeting on May 21, 2009, the Board preliminarily approved the proposed assessment rate for fiscal year 2009-10 of \$5.06. This proposed rate is \$1.22 less than the maximum authorized assessment rate. (If needed, the District could have levied the assessments for fiscal year 2009-10 for District No. 2 at the maximum authorized rates of \$6.28 per single family equivalent without another ballot proceeding. No additional ballot proceeding would be required to levy at a rate up to the maximum authorized rate because these rates, including the annual adjustments in these rates, were approved in the 2004 ballot proceeding.)

Since the Board previously approved the assessment rate of \$5.06, a higher rate cannot be levied at this time for fiscal year 2009-10. 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.

Attached as Exhibit E is the PowerPoint® presentation given by the Director of Scientific Technical Services, Robert Cummings. A transcript of the hearing is attached hereto and made a part hereof as Exhibit F.

11. **Adjournment:** There being no further business for the Board’s consideration, Vice-President Anderson adjourned the meeting at 4:37 p.m. in memory of Dr. Sheldon S. Singer.

I certify that the above Minutes substantially reflect the actions taken by the Board of Trustees at its meeting held June 18, 2009.

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

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

\_\_\_\_\_ meeting held \_\_\_\_\_

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