

ORANGE COUNTY CEMETERY DISTRICT

Board of Trustees

December 6, 2022

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via video conference by Chair Kelly Rivers at 10:01 a.m., in the Board Room of the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

The Pledge of Allegiance was led by General Counsel Steve Quintanilla.
Roll Call by Board Secretary, Mary Funk.

PRESENT:	Kelly Rivers, Chair	Second District
	Cynthia Ward, Vice Chair	Fourth District
	Maribel Marroquin-Waldram	First District
	Vladimir A. Anderson	Third District
	Noel Hatch	Fifth District

STAFF: Tim Deutsch, General Manager
Brenda Manriquez, Finance and Accounting Manager
Mary Funk, Board Secretary

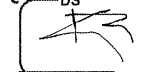
ALSO PRESENT: Steve Quintanilla, General Counsel
Rebecca Hall, Idea Hall (Joined the meeting at 10:30 a.m.)
Sara Sloan, Idea Hall (Joined the meeting at 10:30 a.m.)
Larry Ryan, RJM (Joined the meeting at 10:30 a.m.)

PUBLIC COMMENTS

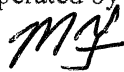
Mr. Manny Montanez is a decorated Vietnam Veteran, Veterans advocate and President and CEO of Montanez Construction. He thanked the Board for the opportunity to share his thoughts and commended the Board for considering Idea Hall, as he believes that will be an important step forward in the establishment of a Veterans Cemetery in Orange County. Mr. Montanez stated that he had worked closely with Supervisors Michelle Steel and Andrew Do to make Orange County one of the most veteran friendly counties in the state. He urged the Board when selecting contractors for the development of the new cemeteries that they use vendors that are Veteran owned or that employ Veterans.

GM Deutsch said that, in terms of the Veterans cemetery, the District would have no say in the vendors used as that would be under the direction of CalVet. As far as the public cemetery development, the District would gladly welcome bids from any Veteran owned or minority owned contractor as long as they are registered with the Department of Industrial Relations and pay prevailing wages.

Mr. Montanez, once again thanked the Board for giving him the opportunity to shine a light on contractors operated by disabled veterans and giving them an opportunity to compete. He also



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Secretary

reiterated his belief that Idea Hall is a first class organization and will do a great job preparing for this project.

CONSENT CALENDAR

- A. Approval of Minutes – Regular Board Meeting, November 1, 2022.
- B. Approval of the December 2022 Check Registers (Claims) Nos. 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, and 95.

MOTION: of Trustee Hatch, seconded by Chair Rivers and carried by a roll-call vote of 5-0, approved the Consent Calendar.

MANAGER REPORTS

A. Interments and Interment Space Sales Reports – October 2022

The following interment and interment space sales for October 2022 were reviewed:

			<u>2022-2023</u>	<u>2021-2022</u>
ANAHEIM	Interments	7 (3 Urn)	20 (11Urn)	28 (23 Urn)
	Lot Sales	2	12	21
EL TORO	Interments	67 (22 Urn)	304 (105 Urn)	301 (101 Urn)
	Lot Sales	88	384	467
SANTA ANA	Interments	24 (15 Urn)	64 (37 Urn)	74 (37 Urn)
	Lot Sales	11	26	19
TOTAL	Interments	98 (40 Urn)	388 (153 Urn)	403 (161 Urn)
	Lot Sales	101	422	507

GM Deutsch reported that in October Anaheim sold two spaces, one niche and one full casket space. He explained that a family came to El Toro looking for casket space since they had heard that Anaheim was sold out. Upon learning about the family’s situation, it was discovered that they already had one child buried at Anaheim Cemetery, but now they had lost a second child. There are several spaces that have been sold back at Anaheim Cemetery that the District is holding for cases such as this. In this situation, we were able to provide the family with the needed casket space at Anaheim and they will not have to visit two different cemeteries to honor their children. GM Deutsch remarked that a similar situation had also occurred at Santa Ana Cemetery. In October, Anaheim Cemetery conducted seven interment services. Year-to-date, Anaheim Cemetery has conducted 20 interments. The cremation rate at Anaheim Cemetery was at 55% for October.

El Toro Memorial Park sold 88 spaces in October. Of those spaces, 72 were for casket spaces, 8 were for niche space and 8 were for in-ground cremation space. As of October 31st, El Toro Memorial Park has approximately 1,572 casket spaces remaining and the District anticipates that will be depleted within one to two years. Of those sales, 56% were for Pre-Need and of those Pre-Need sales 89% were for full casket space. Eight niches were sold in October which leaves


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approximately 359 niches remaining in the Maureen Rivers Memorial Niche Garden. Staff at El Toro Memorial Park conducted 67 interments, bringing the year-to-date total for interments to 304, compared to 301 from the previous year at this time.

Santa Ana Cemetery sold 11 interment spaces in October including one full casket. The casket sale involved a father and son who had been buried in the same space. With the mother's passing, staff was able to disinter the son and move him to a new grave at Santa Ana and inter the mother with her husband. For October, Santa Ana conducted 24 interments, bringing the year-to-date total to 64, which is still lagging behind last year's numbers by ten interments. The cremation rate at Santa Ana Cemetery is at 57.8%.

District-wide, staff sold 101 interment spaces and conducted 98 interments of which 74 were for casket burial. Year-to-date, the District has conducted 388 interments compared to 403 from the previous year. The overall cremation rate stands at 39.4%.

B. Financial Reports – October 2022

Brenda Manriquez reported that the financial reports are trending normally. For revenues, the District received a large chunk of property taxes at \$500,000 which will show in next month's financials. Revenues from spaces sales are higher than budgeted while interment services are slightly lower than budgeted as evidenced by the monthly activity reports. Brenda Manriquez commented that the low service revenue is partially due to when accounting recognizes the pre-need that is being used. This is done about three times a year. Interest income continues to trend upwards as rates improve.

For expenses, wages and benefits are trending the same with no significant changes. Variances with services and supplies are primarily due to the timing of when invoices are received and when they are processed.

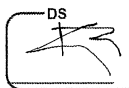
For the 4200 Account - Buildings and Improvements, expenses of \$611,764 were incurred in October. Of that amount, \$345,734 was for the new cemetery development for engineering, design and project management and charges for the City of Anaheim review. There were also \$266,030 in construction costs for the installation of the new flagpole. The District is just waiting for the last electrical invoices to come through and then we will submit for reimbursement from the County.

There were no new equipment expenses in October.

Brenda Manriquez stated that on the balance sheet, the negative amount of \$60,719, will be eliminated now that the large portion of property tax has been received. Brenda Manriquez also pointed out that \$19,980,000 now appears as restricted on the balance sheet as the loan for the new cemetery construction has been funded and is available to use for that purpose.

GM Deutsch said he will be discussing the financing of the new cemetery construction in greater detail when the Finance and Investment Committee meeting in February.

C. Investment Portfolio Changes – November 2022



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GM Deutsch reported that it is wonderful to see investments maturing that had a rate of 0.50% and purchasing new investments at 5.082%. We are continuing to keep a portion of the District’s portfolio in short-term investments for liquidity. We will watch the market and see what our advisors recommend moving forward, as the difference between our short and long-term investments is about 30 to 40 basis points.

E. Capital Projects Update

GM Deutsch announced that he will be meeting with the City of Anaheim Planning Advisor and RJM at the Gypsum Canyon property on December 7th and will discuss the zoning and addendum process. We are also beginning work with Granicus on a separate website to help engage and inform the public about the project and solicit input from the community. If the Board selects Idea Hall, they will also be assisting in this endeavor. GM Deutsch said he heard many good comments about the Flag Raising event hosted by Supervisor Wagner. Even though he could not be present for the event he was able to help coordinate logistics and preparation for the event remotely. GM Deutsch expressed his thanks to all the staff who helped to make the event go smoothly and for the Trustees who were able to attend and represent the District at the event.

In Cemetery Improvement Projects, El Toro Memorial Park needs to replace a main water line that runs from the District office building along the fence line towards the niche wall at LA-30. The Board will decide whether to award the contract for this project later in the meeting.

As stated in the Financial Report, the District incurred \$611,763 in expenses related to the new cemetery development. The District expects to be reimbursed by the County of Orange for \$285,000 in expenses related to the construction of the flagpole at the Gypsum Canyon site.

GM Deutsch stated that no new equipment has been ordered and the Cemetery Managers are looking at bids for the remaining equipment.

Vice Chair Ward stated that a new Mayor and three or four new Councilmembers for the City of Anaheim are being sworn in. She asked that GM Deutsch please reach out and offer tours of the Gypsum Canyon site and educate these newly elected officials about the project. GM Deutsch said that he would absolutely be reaching out. He also stated that Idea Hall would also be helping to educate all City leaders about the project.

Trustee Hatch asked for clarification on the location of the flagpole site at the new property and wanted confirmation of whether it was on the Veterans portion or the public cemetery’s portion. GM Deutsch said that the flag is located on the fringe of the public cemetery’s land. It was located there, so it would not have to be relocated during construction of either cemetery.

Trustee Anderson asked what the electrical and maintenance costs are for the flagpole. Brenda Manriquez said that, so far the District has only been billed for the hook-up which is \$15.00 a month. Now that electricity is actually being used, we will have to see what the costs are when the first invoice is received. GM Deutsch also noted that the security cameras on site are now also running off of that electrical meter rather than being solar powered. This provides a better signal for the surveillance cameras. GM Deutsch said maintenance costs will be minimal.


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GM Deutsch requested that the Board move to New Business, Item B, as Rebecca Hall and Sara Sloan with Idea Hall and Larry Ryan with RJM had joined the Zoom Meeting.

NEW BUSINESS

B. Gypsum Canyon Cemetery Development – Community Information and Outreach
GM Deutsch explained that one of the requirements from the City of Anaheim, is that the District engage with the community and provide education, information, and opportunities for the public to express feedback and voice any concerns about the project. With a project of this magnitude, it is important to reach out to the community, answer questions, and dispel rumors that may have developed through misinformation.

When the design team discussed what firms might be best suited to assist in this capacity, the County of Orange recommended Idea Hall. This firm has a great deal of experience working with public agencies and would be an excellent choice for the District.

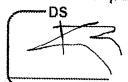
Trustee Hatch asked for confirmation that the Board would be approving this as a single source rather than a competitive bid process. Trustee Hatch stated that his understanding is that the Board has this ability if either of the following are true: the uniqueness of the services needed is such that only a limited number of vendors could provide it; or if there was an urgency to the timeframe when these services would be needed. Counsel Quintanilla confirmed that these two factors are independent and it can be one or the other. Trustee Hatch asked that the urgency of the need for these services be made evident in the presentation. Counsel Quintanilla also advised the Board stating that, while it is good practice to use a competitive bid process, as a Cemetery District, the Board does not have to bid out public works contracts.

GM Deutsch also agreed that the District can sole-source based on the specifications, Trustee Hatch mentioned.

GM Deutsch then introduced Rebecca Hall and Sara Sloan from Idea Hall and stated that Larry Ryan with RJM was also on the call to answer any questions if needed.

Rebecca Hall stated that she is 4th generation City of Orange resident and lives fairly close to the site at Gypsum Canyon. Sara Sloan, also with Idea Hall, lives in Yorba Linda and both are very familiar with the area and its demographics. Rebecca Hall stated that she has twenty years of experience working with County agencies such as the Irvine Ranch Water District and the Orange County Healthcare Agency and is experienced in land use issues, entitlements and community outreach. She noted that, if done correctly, this project can be a point of pride for our community. If we can help stakeholders to understand this, they will support the project. She added that we have to help steer the imagination of the community so they can share in our vision for the site.

She stated that Idea Hall has a proven process to accomplish this and their approach creates the right steps at the right time to accomplish these goals. She then touched briefly on the process and discussed the research and discovery phase. She stated that often in projects like this, people don't know what to expect. They have a lot of questions and fears. We need to communicate that this project can be a legacy for our community. We must determine what stories we need to



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tell. Storytelling is an emotive way of connecting with people and is very important in communicating how this project can benefit them. It is important to make sure the District is considering all the variety of communities that make up Orange County. Rebecca Hall stated that Idea Hall is ready to go and we understand the urgent timeframes the District is under.

GM Deutsch added that Rebecca also knows the new Mayor of Anaheim, which will be beneficial for the District. This will be the only public cemetery operating in Orange County and it is important that people understand the significance of that. The need for this cemetery is not resonating with most residents because people do not consider the importance of an affordable public cemetery until they need one.

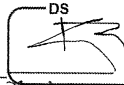
GM Deutsch asked if the Board had any questions. Vice Chair Ward stated that some of the letters of opposition she is seeing show that people are getting worked up about issues that are already being considered and will be addressed. She asked if Idea Hall would be doing any environmental assessments. Larry Ryan with RJM stated that those assessments are already being done by LSA and agreed that there is a lot of angst over things that aren't necessarily true. Rebecca Hall stated that they will collaborate with LSA and communicate the results of those studies in a meaningful way so the public can have an accurate and true understanding of these issues. We will pull out what people want to know and those statements will be backed up by the EIR and other supporting studies and documents. GM Deutsch stated that environmental issues have not been much of a concern. It would appear the main concern of residents is traffic. If traffic is terrible now, how will this development impact that further?

Trustee Hatch said that he has read the emails from residents of Yorba Linda about what they find offensive. He asked what the ultimate goal of Idea Hall is. Rebecca Hall stated the goal of Idea Hall is to produce evidence of community participation and support. We need to show we have incorporated the community in this process and that we have their support. Trustee Hatch asked if Idea Hall can put forth a message that resonates with residents that they do not need to be afraid and the project will not adversely impact the quality of life in their neighborhoods. Rebecca Hall stated the biggest thing we need to do is reduce fears. She added that cemeteries are just as important to a community as schools and roads. We need to give residents a way to show their support.

Trustee Hatch said that he would move to approve the agreement with Idea Hall, noting that time is of the essence.

MOTION: of Trustee Hatch, seconded by Trustee Anderson and carried by a roll-call vote of 5-0, approved the proposal and authorized the General Manager to execute the requisite professional service agreement with Idea Hall in the amount of \$147,235.00.

GM Deutsch thanked Rebecca, Sara and Larry for their participation in the meeting and said he will coordinate with Rebecca and Sara to start as soon as possible. Rebecca Hall, Sara Sloan, Larry Ryan and Manny Montanez all left the meeting at this time.


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A. Award of Contract – Water Line Replacement, El Toro Memorial Park

GM Deutsch explained that there is an old metal water line running from the office beyond the oldest niche wall that is about 30 to 40 years old. The line is partially above ground and needs to be replaced. Because the pipe runs across the Rose Garden where interments have taken place, the line will remain above ground so as not to disturb those cremains. There is a special type of pipe that needs to be used that not many companies work with and the project requires a lot of hand work. Three contractors bid on the project. Finn Construction, which we have used on past projects, came in higher than the others because they would have needed to hire a specialized subcontractor with experience to handle the type of pipe this job requires. The apparent low bidder was Brightview Landscape Development. Their bid came in at \$77,780. The District has also used Brightview in the past and they understand the dynamics of working in a cemetery environment. Trustee Hatch asked if legal counsel reviews all of our contracts before we sign. GM Deutsch assured Trustee Hatch that this is correct.

MOTION of Trustee Hatch, seconded by Chair Rivers, and carried by a vote of 5-0, approved the award of the construction contract to Brightview Landscape Development, for the replacement of the water main at El Toro Memorial Park in the amount of \$77,780, and authorized the General Manager to execute the requisite contract and approve any change orders up to 5% of the contract or \$3,889.00.

GM Deutsch said that, once the project gets started, it should only take two to three weeks to complete. He will provide pictures of the progress at upcoming board meetings. He anticipates the Trustees will be approving the project completion at the March Board Meeting.

C. Election of Officers

GM Deutsch stated that every December the Board must elect new officers for the upcoming calendar year. Typically, the Vice Chair will be elected to serve as the Board Chair and a new Vice Chair will be elected. GM Deutsch thanked Chair Rivers for taking on the role of Board Chair and representing the District so faithfully after the passing of Chair Nelson last January. In discussing nominations for 2023, Vice Chair Ward suggested that since Chair Rivers had not had the opportunity to complete a full term as Chair, that the Board nominate her to serve as Chair again in 2023. Chair Rivers said that she would be happy to serve again in this capacity.

MOTION of Trustee Hatch, seconded by Trustee Marroquin-Waldram, and carried by a vote of 5-0, reelected Chair Rivers as Chair of the Board of Trustees for the 2023 calendar year.

Chair Rivers stated that she would like Vice Chair Ward to also remain as Vice Chair for 2023. Trustee Hatch stated that he agreed and nominated Vice Chair Ward. Vice Chair Ward said that she would be happy to serve in the role of Vice Chair again for 2023.

MOTION of Trustee Hatch, seconded by Trustee Anderson, and carried by a vote of 5-0, reelected Vice Chair Ward as Vice Chair of the Board of Trustees for the 2023 calendar year.


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GM Deutsch thanked all the Trustees for their service to the District, adding that it is a blessing to have such a cohesive Board.

GENERAL COUNSEL REPORT

Counsel Quintanilla stated that his staff is preparing a summary of all the laws that have changed that may impact cemetery districts. He will be providing that summary in the near future. He also advised the Board Secretary, Mary Funk, that all of the code numbers regarding public records have changed. So all of our policy regarding public records that reference specific code numbers will need to be updated.

ITEMS FOR FUTURE AGENDAS

No items were discussed.

BOARD COMMENTS

A. **Dia de los Muertos “To Go” – All Cemeteries, Wednesday, Nov. 2, 2022**

Chair Rivers said that she attended the event at El Toro Memorial Park. It was set up beautifully and there were a lot of people happy to receive the free flowers, Pan de Muertos, and craft kits. Vice Chair Ward attended the Dia de los Muertos event at Anaheim Cemetery and said the flowers were gone almost immediately along with the food and only a few craft kits were left over. She stated that people were asking about an in-person event and are looking forward to that coming back hopefully in 2023. She added that everyone was very complimentary about the event and she thanked staff for putting it all together.

B. **Veterans Day Program – El Toro Memorial Park, Friday, Nov. 11, 2022**

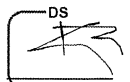
Chair Rivers attended the Veterans Day Program and said it was a very nice event. Trustee Anderson also attended and stated that Mayor Pequeno was a very eloquent speaker and it was a beautiful ceremony. Chair Rivers added that in the future we need to give more recognition to Gene Smith for his prelude and postlude music.

C. **Historical Tour at Anaheim Cemetery – Nov. 12, 2022**

Vice Chair Ward stated that she had a good group of about 50 people come for a two-hour walking tour of Anaheim Cemetery. The event was co-hosted by the Anaheim Historical Society. There was a miscommunication about making the private mausoleums accessible, but Bill Stelter came to the rescue and was able to open them up for the tour.

C. **Flag Raising Ceremony, Gypsum Canyon, Wed. Nov. 30, 2022 at 10:00 a.m.**

Chair Rivers, Vice Chair Ward, Trustee Hatch and Trustee Anderson all attended the flag raising ceremony at Gypsum Canyon hosted by Supervisor Wagner and the County of Orange. Chair Rivers said that staff was really on point and helped make sure the event ran smoothly. Trustee Anderson said that the speakers, Nick Berardino and Bill Cook did an excellent job and their comments were very touching. Trustee Hatch stated that it is very apparent that the public cemetery portion of the project is coat-tailing the Veterans Cemetery. It will be important for Idea Hall to communicate to residents that the public cemetery is for all of the residents of Orange County, not just the Veterans. Trustee Hatch said the Veterans and Supervisor Wagner did a masterful job coordinating the event and there was a real spirit of unity at the program. Trustee Hatch stated his appreciation for what Supervisor Wagner has done and noted that he has



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maintained the integrity of his position throughout because he really believes it. Trustee Hatch expressed that he is very pleased with the new contract with Idea Hall and hopes the residents will recognize the great value that this cemetery can bring to the community.

ANNOUNCEMENTS

A. Angel of Hope Candlelight Service – El Toro Memorial Park, Dec. 6th at 7 p.m.

B. Wreaths Across America – El Toro Memorial Park and Santa Ana Cemetery, Saturday, December 17, 2022 at 9:00 a.m.

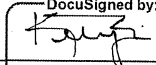
C. CAPC Annual Conference – Seaside, CA, March 23-25, 2023

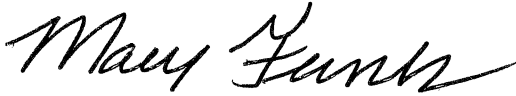
GM Deutsch stated that any Trustees who are interested in attending, should let Mary Funk know so she can complete registrations and hotel reservations. GM Deutsch recommended that any Trustee wanting to attend respond as soon as possible as hotel rooms run out quickly.

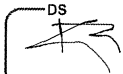
GM Deutsch also extended an invitation to all the Trustees to join the office staff on Thursday, December 15th at noon for a holiday lunch to be held at the District Office.

The next regular meeting will be held on **Tuesday, January 3, 2023**, at 10:00 a.m., at the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

There being no further business, the meeting was adjourned at 11:35 a.m.

DocuSigned by:

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