

**ORANGE COUNTY CEMETERY DISTRICT  
Board of Trustees  
September 1, 2020**

**MINUTES**

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via videoconference by Chair Hatch at 10:00 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 Chair Hatch.  
Roll Call by Board Secretary, Mary Funk.

|          |                               |                 |
|----------|-------------------------------|-----------------|
| PRESENT: | Noel Hatch, Chair             | Fifth District  |
|          | Maribel Marroquin, Vice Chair | First District  |
|          | Kelly Rivers                  | Second District |
|          | William E. Nelson             | Third District  |
|          | Cynthia Ward                  | Fourth District |

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

ALSO PRESENT:   Steve Quintanilla, General Counsel

**PUBLIC COMMENTS – None**

**CONSENT CALENDAR**

- A.    Approval of Minutes – Regular Board Meeting, August 4, 2020.
- B.    Approval of the September 2020 Check Registers (Claims) Nos. 33, 34,35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, and 48.

**MOTION:**   of Trustee Nelson, seconded by Trustee Marroquin and carried by a roll-call vote of 5-0, approved the Consent Calendar.

**MANAGER REPORTS**

**A.   Interments and Interment Space Sales Reports – July 2020**

The following interment and interment space sales for July 2020 were reviewed:

|         |            |             | <u>2020-2021</u> | <u>2019-2020</u> |
|---------|------------|-------------|------------------|------------------|
| ANAHEIM | Interments | 10 (8 Urn)  | 7 (8 Urn)        | 10 (7 Urn)       |
|         | Lot Sales  | 7           | 7                | 3                |
| EL TORO | Interments | 71 (27 Urn) | 71 (27 Urn)      | 66 (22 Urn)      |
|         | Lot Sales  | 89          | 89               | 68               |

  
Chair

  
Secretary

|           |            |              |              |             |
|-----------|------------|--------------|--------------|-------------|
| SANTA ANA | Interments | 31 (3 Urn)   | 31 (3 Urn)   | 16 (3 Urn)  |
|           | Lot Sales  | 20           | 20           | 4           |
| TOTAL     | Interments | 112 (38 Urn) | 112 (38 Urn) | 92 (32 Urn) |
|           | Lot Sales  | 116          | 116          | 75          |

GM Deutsch stated that July was a very busy month. Anaheim had 10 interments, El Toro had 71 interments which is the most since June of 2017, and Santa Ana had 31 interments compared to 16 for July of the previous year. Overall, the District sold 116 interment spaces which is the most since August 2018 and conducted 112 interment services which is the most since June 2017.

#### **B. Financial Reports – July 2020**

Brenda Manriquez thanked Trustee Nelson for catching a typo on the Financial Summary for Misc. Revenue which was corrected and reposted on the District website. She also noted that for interest for OCIP/CalTrust, the report is showing approximately \$9,000 less than last year. She stated that this is not a true number due to the year-end accruals with the County. Nothing has been posted yet from the County of Orange for July interest.

#### **C. Investment Portfolio Changes – August 2020**

GM Deutsch was happy to report that Stifel was able to get several investments for the District with yields above what CalTrust could offer. GM Deutsch said he is checking with each advisor before transferring any available funds to CalTrust. GM Deutsch noted that \$125,000 from UBS and \$134,000 from Stifel will be transferred to CalTrust to get yields above 1%.

#### **D. Capital Projects Update**

GM Deutsch said that the Santa Ana project is complete and acceptance of the project will be discussed later in the Board Meeting. The El Toro paving project is set to begin next week. He anticipates the main gate entering El Toro will need to be closed from Monday, September 14<sup>th</sup> through Thursday the 17<sup>th</sup> as the main road in front of the office will be demolished and repaved. All visitors will need to enter through the back gate and access to the Cemetery Office will be limited. The project will be completed in three phases throughout September and October. For equipment, three of the four items have been ordered, but unfortunately the backhoe is on backorder and will not be received until 2021.

GM Deutsch recommended that since the New Cemetery Development Update involves a presentation from the RJM Design Group which will not start until 10:30 a.m. that they skip that report and move forward in the agenda, holding Closed Session after the New Cemetery Development Update is completed.

#### **GENERAL COUNSEL REPORT**

Counsel Quintanilla stated that he did not have anything to report.

#### **UNFINISHED BUSINESS - None**

  
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**NEW BUSINESS**

**A. Acceptance of the Santa Ana Asphalt and Concrete Project**

GM Deutsch stated that he had met with the architect on site to review the project and determined that the contractor had met all the design and planning requirements. Cemetery staff are now working on catching up on maintenance that had been delayed due to the construction.

**MOTION:** of Trustee Nelson, seconded by Trustee Rivers and carried by a roll-call vote of 5-0, accepted the Santa Ana Cemetery Asphalt and Concrete Project and authorized the General Manager to release the retention amount of \$45,730.75 to Ben’s Asphalt once the Notice of Completion is filed and the waiting period is completed.

**B. Transfer of Funds – Outside Investment Firms to CalTRUST**

GM Deutsch reminded the Trustees that at the last Board Meeting, Trustee Nelson had recommended that the District transfer available funds from each of the outside investors to the Medium-Term Fund in CalTRUST, since the outside advisors were struggling to find investments with yields above 1%. GM Deutsch said he had spoken to both advisors from UBS and Stifel who agreed that this was a good short-term plan. GM Deutsch also stated that the District could not have a safer or more liquid fund than CalTRUST. GM Deutsch reported that three new CalTrust accounts have been established for Pre-Need, Endowment Principal, and Endowment Income. Staff will monitor the transfers and keep track of how much is transferred from each advisor. When rates recover and investment options improve, the funds and the correlating percentage of interest earned, will be transferred back to the advisors.

GM Deutsch stated that when reviewing the Investment Policy, staff found no explicit language granting the General Manager the authority to make such transfers. He thought it was prudent to bring this to the Board for action so they could formally authorize the GM to act in this capacity.

GM Deutsch noted that over the next six months there is approximately \$2.8 million in investments that will be maturing that could be transferred to CalTRUST. In addition, a Stifel investment had an early call, which will bring that total to approximately \$3.3 million.

Chair Hatch asked about the five-year ladder the District is trying to create and if the County provides any detail. GM Deutsch said that the County does not provide this and it is very hard to predict when the market will improve. GM Deutsch recommended that this is something the Finance and Investment Committee can discuss in the months ahead. Brenda Manriquez stated that the goal is to eventually zero out those accounts and return funds to the advisors. GM Deutsch added that there is no fee on the District’s part and it does not cost us anything to have that money sitting with CalTrust for a while.

**MOTION:** of Trustee Rivers, seconded by Vice Chair Marroquin and carried by a roll-call vote of 5-0, authorized the General Manager to transfer available funds from the outside investment firms to the Medium-Term CalTRUST fund.

  
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At this time GM Deutsch announced that RJM Design Group was ready to present the New Cemetery Development Update under Item E – Manager’s Reports.

## MANAGER REPORTS

### E. New Cemetery Development Update

GM Deutsch introduced Larry Ryan, Craig Sensenbach, and Tamara McClory with RJM Design Group.

Larry Ryan began the presentation by stating that the preparation for this Board meeting was a very valuable process in establishing coordination with all the parties working on this project. He informed the Board that a submittal package was sent to OC Parks on July 23, 2020.

He noted that the current access road into the site veers outside of property owned by the District. He proposes a land swap with OC Parks where the District would provide about 11.5 acres of environmentally sensitive land that borders the OC Parks land in exchange for the 10 acres of land where the current access road is located. This would be a positive gain for both parties.

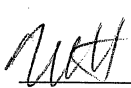
The OC Parks submittal also included a master conceptual plan so OC Parks has a good understanding of how the District intends to develop the lower pad and ensure that the needs and expectations of OC Parks are addressed. A preliminary grading study was also supplied that speaks to the preferred orientation of the new cemetery to take advantage of the beautiful vistas.

Bridge studies were also supplied which show the placement of two prefabricated bridges that measure 14 feet wide with an approximate 100 foot span. One bridge would be for ingress and one for egress.

Further refinements were also made to the developable acreage based on Fuscoe’s mass grading plan and GMU’s remedial grading recommendations. The District’s public cemetery would have 92 gross acres, with approximately 71 acres available for interments. The upper pad reserved for the Veterans Cemetery has approximately 120 gross acres with 88 acres of developable open space. There is also an additional 42.5 acres of shared common space at the entry to both cemeteries. The Keyway Buttress/Slope between the lower and upper pads consist of about 36 acres.

Mr. Ryan also discussed the Refined Conceptual Illustrative Site Plan that includes a road loop system that can connect the upper pad to the lower pad making shared maintenance facilities a possibility.

Mr. Craig Sensenbach showed the board an assortment of renderings and elevations for what the first phase of development might look like. He stated that the site will have a rural, ranch feel, in homage to the natural beauty of the existing terrain. The allocation of land for the interment of U.S. Veterans and for U.S. Allies from the Korean and Vietnam wars was also discussed. The addition of an Orientation Booth located at the front entrance was also mentioned.

  
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The design team is looking at the placement of pre-set, double-depth crypts as a feature in the new cemetery. Phase 1 may be able to accommodate up to 40,000 double-depth crypts. Mr. Sensenbach cautioned, however, that care needs to be taken in the design and placement of the crypts to allow for adequate landscaping concerns, stating there needs to be a balance between the desire to maximize interment space with the park's aesthetics. The District will want to avoid the look of a football field with no trees. GM Deutsch said he has also discussed some of the pros and cons of pre-set crypts with staff.

Mr. Ryan and Mr. Sensenbach provided an update on Fuscoe, the civil engineering firm and GMU, the geotechnical consultants who are working on the project and discussed the amount of grading that needs to be done. Mr. Sensenbach said he was very encouraged by the preliminary earthwork numbers and feels the work is very achievable. They also briefly presented utility exhibits including discussion on sewer and storm water management with hydrology maps that show where water is moving and how it is being treated.

LSA Associates, who conducted a traffic analysis of the site, are recommending that the intersection of Gypsum Canyon Road and Santa Ana Canyon Road have a traffic signal added, but does not feel that the widening of Gypsum Canyon Road from its current configuration is necessary. Now that the use of the site has changed from a high-volume residential development to a cemetery, LSA does not feel the widening is warranted. However, the City of Anaheim may still want to incorporate the widening project since it is a part of their master plan.

Mr. Ryan discussed the submittal of the Conceptual Development Review Application to the City of Anaheim. GM Deutsch asked what the timing is on this. Mr. Ryan stated that if the Board has no changes it could be submitted quite rapidly. He also stated that one benefit of the application is that the project now has a name and number and is no longer a vague concept, but a real project that is moving forward.

Tamara McClory, suggested that the team discuss temporary uses of the property. GM Deutsch said that he has been approached by several users who are willing to help with ongoing development costs. One wants to use the upper pad for RV and boat storage. One wants to use the site for recycling green and brown waste. One wants to use the site for off road motor sports. GM Deutsch said he has major concerns about the motor sports request as the noise would not be compatible with cemetery usage. GM Deutsch said that the District only has the authority to use the property for cemetery purposes and to use it for any other purpose would require approval from the County of Orange. GM Deutsch also stated that the District needs to make sure that the City of Anaheim has no issues with any other user utilizing the property.

Chair Hatch asked what a temporary use of the property could mean for the District in terms of dollars. GM Deutsch said that the sharing of costs could potentially be a great benefit for the District with as much as \$500,000 to \$1 million of additional revenue. Chair Hatch also asked if temporary uses could be brought in at any time. GM Deutsch answered that there will be a point when the Veterans want to develop the upper pad and any temporary uses would need to stop at that point.

  
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GM Deutsch recommended that the District establish a sub-committee or use the Finance and Investment Committee to discuss these temporary uses. The Board agreed with the use of the Committee for review prior to Board discussion and action.

Trustee Nelson asked when we are going to present to the City of Anaheim. Mr. Ryan said we can submit the application within a week if the Board approves. Trustee Ward stated that the City of Anaheim just hired new City Manager, James Vanderpool. Trustee Ward advised that we make an appointment with him to get him introduced to the property.

GM Deutsch said that was a great point and that the District did have knowledge about Mr. Vanderpool’s new position with Anaheim. RJM Design Group also said that they have a good relationship with Mr. Vanderpool and have worked with him on other projects in the past. Mr. Ryan also reminded the Board that the Conceptual Development Review is not a presentation, but rather an application. However, reaching out to Mr. Vanderpool would be time well spent.

Chair Hatch asked about costs for the project. Mr. Ryan stated that costs are being quantified currently, with earthwork still being the major variable. He expects to have a cost estimate for the Board’s review in one month.

Chair Hatch thanked the representatives from RJM Design Group for the presentation stating that he appreciated their knowledge and interest in the project. Mr. Ryan, Mr. Sensenbach, and Ms. McClory left the video conferenced meeting at this time.

At 11:35 a.m. the Board adjourned to Closed Session.

**CLOSED SESSION**

- 1. Public Employee Performance Evaluation Pursuant to Government Code Section 54957:  
Employee’s Title: General Manager
- 2. Labor Negotiations – Unrepresented Employee Pursuant to Government Code Section 54957.6(a)  
Unrepresented Employee: Tim Deutsch, General Manager  
District’s Representative: Steven B. Quintanilla, General Legal Counsel

At 12:08 the Board reconvened from Closed Session. Counsel Steve Quintanilla stated that no reportable action took place. It was also noted that Chair Hatch left the meeting at the conclusion of Closed Session.

**C. General Manager Employment Agreement (FY 2020-2021)**

Counsel Quintanilla reported that the Board of Trustees directed legal counsel to offer a 7.5% salary increase to General Manager Deutsch with no other changes to his contract. The salary increase is to be retroactive to July 3, 2020. Counsel Quintanilla stated he presented that offer to the GM Deutsch and GM Deutsch accepted. GM Deutsch thanked the Board for this action.

**MOTION:** of Trustee Rivers, seconded by Trustee Ward and carried by a roll-call vote of 4-0 (Chair Noel Hatch absent for the vote), approved a 7.5% increase in the General

  
Chair

  
Secretary

Manager’s annual compensation, as offered by the Board and accepted by the General Manager, commencing July 3, 2020.

**ITEMS FOR FUTURE AGENDAS**

GM Deutsch asked if the Board still wanted to delay discussion on hiring a consultant for the development of the next strategic plan until in-person meetings can be resumed. The Board agreed that this should be delayed until they can all physically meet together. GM Deutsch stated that the next strategic plan will be for 2021 to 2025.

**BOARD COMMENTS**

**A. ISDOC Executive Committee Meeting, Sept. 1, 2020**

Trustee Nelson stated he attended the ISDOC Executive Committee Meeting that morning, and was asked if the Orange County Cemetery District would be the Featured District at the upcoming ISDOC Quarterly Meeting to be held on October 29<sup>th</sup>. GM Deutsch said that the District has been featured in the past and he would be happy provide a presentation again. GM Deutsch stated that the District should also be receiving an SDRMA Safety Award. Trustee Nelson stated that ISDOC President, Saundra Jacobs would be calling to coordinate. Trustee Nelson briefly mentioned the upcoming ISDOC elections. GM Deutsch reported that no Trustee from our District expressed interest in serving on the ISDOC Board.

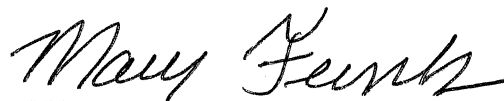
**ANNOUNCEMENTS**

Trustee Rivers asked if anyone had received a survey from CAPC regarding future events in light of COVID-19. GM Deutsch did not believe we had received anything yet.

The next regular meeting will be held on **Tuesday, October 6, 2020**, 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 12:14 p.m.

  
Chair

  
Secretary