

**MINUTES**  
**SANTA MARGARITA/DANA POINT AUTHORITY**  
**BOARD OF DIRECTORS**  
**REGULAR MEETING**  
**NOVEMBER 2, 2021**  
**12:30 PM**

**TELECONFERENCE**

Conference Phone Number: +1-530-414-9890  
Audio Conferencing Code: 193 347 094#

**ATTENDEES**

William L. Green	Chairman ( <i>Absent</i> )
Charles T. Gibson	Vice Chairman
Daniel R. Ferons	Director
Wayne Rayfield	Director
Allison Burns	General Counsel/Stradling Yocca Carlson & Rauth
Jennifer Wilt	Secretary of the Authority
Christine McIlrevey	Interim Treasurer
Paul Pender	Financial Analyst/Santa Margarita Water District
Rick Shintaku	General Manager/South Coast Water District
Peter George	Macias, Gini & O'Connell
Chris Parker	Macias, Gini & O'Connell

**1. CALL MEETING TO ORDER**

*The meeting was called to order at 12:30 p.m. by Vice Chairman Charles T. Gibson.*

**2. PLEDGE OF ALLEGIANCE**

*Vice Chairman Charles T. Gibson led the Pledge of Allegiance.*

**3. ADMINISTRATION OF OATH OF OFFICE**

*Preceding the board meeting, General Counsel, Ms. Allison Burns, administered the oath of office to Director Wayne Rayfield.*

**4. PUBLIC FORUM**

*There were no requests to speak.*

**5. CONSENT CALENDAR**

- 5.1 Consideration and Action on the Minutes of the March 24, 2021 Board of Directors Meeting

**Recommendation:** Approve the Minutes.

**Motion:** Approved as recommended.

**Moved by:** Charles T. Gibson

**Seconded by:** Daniel R. Feron

**Ayes:** Gibson, Feron

**Abstain:** Rayfield

**Absent:** Green

**Item Approved**

*There was no further discussion.*

**6. ACTION ITEMS**

- 6.1 Consideration and Action on Resolution No. 2021-11-01; Resolution of the Board of Directors of the Santa Margarita/Dana Point Authority Making Findings and Determinations Under Assembly Bill 361 for Continued Virtual and Hybrid Meetings

**Recommendation:** Adopt Resolution No. 2021-11-01.

**Motion:** Approved as recommended.

**Moved by:** Wayne Rayfield

**Seconded by:** Daniel R. Feron

**Ayes:** Rayfield, Feron, Gibson

**Absent:** Green

**Item Approved**

*The Authority's General Counsel, Ms. Allison Burns, presented an update on Assembly Bill 361 (AB 361). Ms. Burns responded to Director Feron's inquiry noting that if the Authority desired to utilize AB 361, and since the Board does not regularly meet every 30 days, the Board would need to adopt an AB 361 Resolution at each board meeting in order to be compliant with the Brown Act. Furthermore, if the Authority resumed in person or hybrid board meetings during the State of Emergency Order, the Board would require a mask to be worn by all attendees.*

6.2 Consideration and Action on the Santa Margarita/Dana Point Authority Preliminary Audited Financial Statements for the Fiscal Year 2020-2021

**Recommendation:** Approve the finalization of the audited financial statements and submission to the County of Orange Auditor-Controller's Office by December 31, 2021.

**Motion:** Approved as recommended.

**Moved by:** Daniel R Ferons

**Seconded by:** Wayne Rayfield

**Ayes:** Ferons, Rayfield, Gibson

**Absent:** Green

**Item Approved**

*SMWD Interim Controller, Christine McIlrevey, presented the Authority with the Preliminary Audited Financial Statements for the period ended June 30, 2021. Ms. McIlrevey noted that SMWD will forward the final financial statements and audit communications to the Board and will file all necessary documentation with the County of Orange by December 31, 2021.*

*The Partner at Macias, Gini & O'Connell (MGO), Mr. Peter George announced that the audit went smoothly, and an unmodified opinion would be issued. Mr. George noted the Authority adopted several new Governmental Accounting Standards Board Statements in Fiscal Year 2021, which had no impact on the Authority's financial statements.*

*Mr. Peter George responded to Vice Chairman Gibson's question, confirming MGO is satisfied with the internal controls and environment in place and following this board meeting MGO is submitting their management letter to staff.*

*Note: Ms. Christine McIlrevey is acting Interim Treasurer for the Authority in Ms. Erica Castillo's absence.*

**7. INFORMATION ITEM**

7.1 Santa Margarita/Dana Point Authority Conflict of Interest Code

*The Authority's General Counsel, Ms. Allison Burns, presented that the Political Reform Act requires the Authority to biennially look at its Conflict of Interest Code (Code). Ms. Burns highlighted that a new Code was established in 2018 and reviewed in 2020 with no changes. Ms. Burns noted that the Code continues to meet all requirements and no changes are necessary at this time.*

**8. DIRECTORS' REPORTS OF OUTSIDE MEETINGS AND EVENTS**

Verbal or written reports may be provided and shall be included in the record/minutes.

*Vice Chairman Gibson reported that the Congressional Appropriation is underway, and Senator Feinstein announced that the Fiscal Year 2022 funding bill will include \$180 million in funding for Southern California projects, none related to Orange County water. There is one project in Riverside County for \$3 million to build the PFAS Treatment Facility at the Western Water Recycled Facility which will help repair the sewer system. PFAS continues to be an important part of the picture for water quality.*

**9. ADJOURNMENT**

The next Regular Board of Directors' Meeting is scheduled for January 4, 2022 at 12:30 p.m.

*Meeting adjourned at 1:01 p.m.*