

**ORANGE COUNTY CEMETERY DISTRICT  
Board of Trustees  
April 6, 2021**

**MINUTES**

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via video conference by Chair Marroquin 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 Vice Chair Nelson.  
Roll Call by Board Secretary, Mary Funk.

**PRESENT:** Maribel Marroquin First District  
William E. Nelson, Vice Chair Third District  
Kelly Rivers Second District  
Noel Hatch Fifth District

**ABSENT:** 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  
Larry Ryan, RJM Design Group  
Craig Sensenbach, RJM Design Group  
Tamara McClory, RJM Design Group

**PUBLIC COMMENTS - None**

**CONSENT CALENDAR**

- A. Approval of Minutes – Regular Board Meeting, March 2, 2021.
- B. Approval of the April 2021 Check Registers (Claims) Nos. 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, and 160.

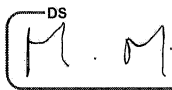
**MOTION:** of Vice Chair Nelson, seconded by Trustee Rivers and carried by a roll-call vote of 4-0 (Trustee Ward absent for the vote), approved the Consent Calendar.


**MANAGER REPORTS**

**A. Interments and Interment Space Sales Reports – February 2021**

The following interment and interment space sales for February 2021 were reviewed:

			<u>2020-2021</u>	<u>2019-2020</u>
ANAHEIM	Interments	15 (11 Urn)	73 (47 Urn)	55 (36 Urn)
	Lot Sales	8	39	26

  
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EL TORO	Interments	87 (24 Urn)	610 (181 Urn)	476 (172 Urn)
	Lot Sales	98	792	554
SANTA ANA	Interments	24 (5 Urn)	211 (65 Urn)	215 (55 Urn)
	Lot Sales	9	89	115
TOTAL	Interments	126 (40 Urn)	894 (293 Urn)	746 (263 Urn)
	Lot Sales	115	920	695

GM Deutsch reported that Anaheim Cemetery conducted 15 interment services in February, which is the most Anaheim has done in one month since January 2016. Eleven of those services were cremation interments. Year-to-date, Anaheim has conducted 73 interments and have sold 39 interment spaces, which puts them ahead of last year's figures in both categories.

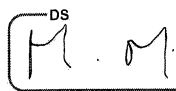
El Toro Memorial Park continues to carry the bulk of sales and services, with 87 interments in February and 98 space sales. Twelve niches in the Maureen Rivers Memorial Niche Garden were sold in February. GM Deutsch is currently working on a master plan for niches for all three cemeteries and expects that Anaheim Cemetery will need a new niche area before Santa Ana and El Toro. Year-to-date, El Toro has completed 610 interments and sold 792 interment spaces. GM Deutsch stated that this may be the first time a single cemetery reaches the 1,000 milestone mark for services or sales in one year.


GM Deutsch said that March has shown some small signs of activity slowing at El Toro, with not burials and appointments being scheduled at about a three week wait. At the current rate of sale GM Deutsch cautioned that El Toro could be sold out as early as 2026. Vice Chair Nelson asked that if the cemetery is selling 1,000 spaces a year and there are only about 4,000 spaces left wouldn't we be sold out earlier than 2026? GM Deutsch replied that the 1,000 space sales also includes cremation space sales, which account for about 30% of sales. In addition, GM Deutsch does not believe that the current pace of sales will become the new norm, and is hopeful that activity will drop to levels usually seen prior to the pandemic. Trustee Hatch asked if GM Deutsch's projections took into consideration the limitation on casket space sales that the Board will be discussing later in the meeting. GM Deutsch said that the new policy was not considered when projecting those numbers. He is hopeful that the new limitation will prevent the establishment of family lots where multiple spaces are unused or abandoned.

For COVID related deaths in February, Anaheim conducted two COVID services. El Toro conducted 20 COVID services and Santa Ana conducted 11 COVID services. Since the start of the pandemic, the District has completed 156 COVID related interments.

#### **B. Financial Reports – February 2021**

Brenda Manriquez reported that the District is almost \$1 million over budget for interment space sales revenue, with much of that being attributed to high pre-need sales. Interment service revenue is also higher than projected. Tax revenues are also trending up. The District received \$170,000 in Secured Property Taxes in March and anticipates receiving another \$700,000 in April. Interest is still trending down.

  
 Chair

  
 Secretary

For expenses, the most notable variance is for credit card merchant fees in the 1900 account. We had expected to do about \$200,000 a month in transactions, but the District is doing almost double that amount. We did negotiate a slight decrease in this fee.

Equipment expenses are about \$9,000 below budget due to savings on the ProLine Mower for Santa Ana Cemetery. Buildings and Improvements expenses are slightly over budget due to ongoing site work on the new property.

Brenda Manriquez reported that on the Balance Sheet stayed the same. The District has approximately \$2.6 million in unassigned and she expects that we will be able to move about \$600,000 to Committed for New Cemetery Development.

**C. Investment Portfolio Changes – March 2021**

GM Deutsch noted that we are getting some redemptions and making a lot of purchases. If we can't get close to the rates for CalTRUST and OCIP we will consider transferring back to those funds. It is harder to transfer back in to the Orange County Investment Pool, but it is possible. GM Deutsch stated that they are trying to invest as much as possible in short terms under two years, so when rates improve we can quickly take advantage. Vice Chair Nelson commented on the two investments purchased by UBS with rates of only 0.31%. GM Deutsch said those purchases were made before the Finance and Investment Committee's recommendation that no purchases be made below 0.5%. GM Deutsch also added that currently, Municipal Bonds, seem to be the best option.

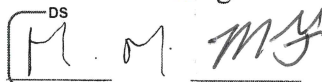
**D. Capital Projects Update**

GM Deutsch reported that a meeting to take place at the Gypsum Canyon property with Anaheim's new City Manager, Jim Vanderpool and Councilmember O'Neil has been scheduled for April 16<sup>th</sup>. GM Deutsch said he would update the Board on how that goes. GM Deutsch also stated that it appears Veterans groups are becoming more disgruntled about the back and forth that is still taking place in Irvine regarding the development of a State Veterans Cemetery. While CalVet is open to discussing other properties, they lack any legislative direction to explore other sites. CalVet is expected to issue a report to the City of Irvine on the plausibility of both Irvine sites. Veteran Ron Bengochea has been sending letters to voice support for the Gypsum Canyon site and Bill Cook is in support of the District's property as well. It seems that, while Nick Berardino is still hopeful for a site in Irvine, he too is becoming frustrated. GM Deutsch said he is trying to educate as many people as possible about the need for a fourth public cemetery and the possible use of the site for the State Veterans Cemetery.

GM Deutsch also reported that the slope project at El Toro Memorial Park is still on hold pending action from the telecommunications company on the line relocation. They are also expecting to reduce the scope of the slope improvement project. GM Deutsch also reported that the backhoe we have been waiting for is now in port and should be delivered within the next few weeks. At this time, GM Deutsch recommended that the Board move to Manager's Reports Item G – New Cemetery Development Update as the team from RJM had joined the Zoom meeting.

**G. New Cemetery Development Update**

Larry Ryan, Craig Sensenbach and Tamara McClory from RJM Design Group led a presentation on developing the new public cemetery at Gypsum Canyon. They stated that today's discussion would focus on agenda item C – Development of Phase 1 - Plan Alternatives.

  
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Larry Ryan said that the team was quite aware at the last presentation that the cost estimates coming in at just over \$53 million were very disappointing. Since then, the team has been looking at what can be done to improve cost efficiency. The current plan shows that the public cemetery property will consist of 92 acres with 96 acres being reserved for a future Veterans Cemetery on the upper pad. The unusable slope between the upper and lower pads consists of approximately 76 acres. The District will also need to negotiate a property swap with OC Parks in order to secure the land needed for entry and exit into the property. Vice Chair Nelson asked if OC Parks would be agreeable to such a swap. GM Deutsch answered that they understand our need and the property swap could also be beneficial to them as well, as they are hoping to take land they receive from the District to create an educational area.

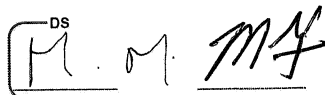
Craig Sensenbach then discussed potential alternatives in design. He stated that in the initial plan, the first phase of the public cemetery development would cover 23.5 acres and include 7.5 acres for lawn interment. Shared costs that could potentially be reimbursed by any group developing the upper pad, came in at almost \$18 million. The first phase of Public Cemetery Development was estimated at \$35.6 million.

Alternate Plan 2 encompasses the same footprint as Plan 1, but there are reduced road improvements, a decrease in the niche feature, and only one committal shelter will be built. This plan includes 8.2 acres of lawn interment space. It also includes minimized landscape improvements. The shared costs for Plan 2 come in at \$16.3 million with the first phase of public cemetery development costing almost \$29.8 million for a total cost of about \$46 million.

Alternate Plan 3 moves the footprint closer to the Maintenance Building which would require that the Cemetery Office building be moved to a location that is less preferable. It also minimizes the secondary access road and reduces the amount of lawn interment space to only 4 acres with opportunity for future lawn interment expansion. The shared costs for Plan 3 come in at about \$15.8 million with the first phase of public cemetery development costing \$22.5 million. The total cost for Plan 3 would be approximately \$38.4 million.

Alternate Plan 4 returns the development to the original, preferred footprint and locates the Cemetery Office as originally desired, but rather than a permanent structure, the Cemetery Office would be a smaller, modular building. Available lawn interment space would be reduced to 5.2 acres. Shared costs for Plan 4 would be \$15.8 million with the first phase of public cemetery development coming in at \$23.3 million. The total project cost would be about \$39.2 million. For an additional \$500,000, three additional acres of lawn interment space could potentially be added.

GM Deutsch stated that it is important to consider the available lawn interment space because that is what will generate future revenue. It is better to put money toward burial space than toward costs such as a bigger office building that will not contribute toward additional revenue. Trustee Hatch asked about the balance of undeveloped areas and costs associated with making it usable. GM Deutsch said that the first phase of development includes all the infrastructure costs. To create additional interment space the main costs are just final grading, roads, and irrigation and seeding.


  
 Chair                      Secretary

RJM Design Group recommends Alternate Plan 4 as it is the most cost-effective while being in the preferred footprint relative to the master plan. GM Deutsch commented that these revisions make the project much more viable.

Trustee Nelson commented that if another user comes in to develop the upper pad, it is extremely unlikely that they would ever reimburse the District for any of the Shared Costs identified in the plans. He stated that the District must assume we will have to bear the full burden of those expenses. GM Deutsch stated that it is important for us to consider what the future development needs will be for any group wanting to develop the upper pad. It is better for the District to develop the necessary infrastructure now when it will be least expensive to accomplish such work. If we do not develop appropriate infrastructure to develop the upper pad now, it may cause future problems for our public cemetery development down the road when such work could be invasive and problematic for existing development. It may also send the wrong message to elected officials that the District does not really support the future development of a Veterans Cemetery on the upper pad.

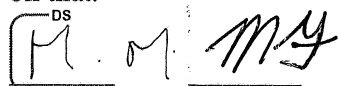
The RJM Design team briefly discussed the proposed bridge locations for access to the property and the preferred bridge layout.

The RJM Design team listed the next steps that need to take place before construction can begin. They include: finalizing the Phase 1 project scope; confirming with the City of Anaheim the type of CEQA process that will be required; obtaining CEQA clearances which will more than likely involve an Environmental Impact Report that will take 12 to 18 months to complete; establishing preliminary design and cost estimates; and development of construction documents for Phase 1. RJM Design Group is hopeful that this entire process can be completed within 18 to 22 months.

Trustee Hatch asked if a new EIR is likely going to be required. RJM Design Group and GM Deutsch felt that it probably would be since the old EIR completed by the Irvine Company is 20 years old and conditions on the site have changed since then. Vice Chair Nelson requested a more detailed project plan. Larry Ryan explained that they could provide a more detailed plan when they confirm with the City of Anaheim what the CEQA process will be. He also said that without a finalized development plan many questions can't be answered yet.

GM Deutsch asked the Board if they have consensus that the Alternate Plan 4 with the possibility for future lawn interment expansion is the plan they want to accept. Each Trustee was verbally polled and they all agreed that Plan 4 should be used. (Trustee Ward was absent from the meeting and could not participate in the discussion.)

Vice Chair Nelson asked if any grading in the upper pad is included in the cost estimate. Larry Ryan answered that both developments in the upper and lower pad require the slope between to be stabilized. This will require some remedial grading on the upper pad. Vice Chair Nelson stated that he didn't think the District should do the upper pad grading and wanted to know how much that was going to cost. RJM Design Group stated that the grading on the upper pad protects our property as well and if we wait to do it later with will be 4 to 5 times more expensive. Vice Chair Nelson said he would still like to see what the cost differences are and asked for a project plan that was more detailed. RJM Design Group said that they would work on that.

  
Chair Secretary

**NEW BUSINESS**

**A. Cemetery Development – LSA Environmental Consulting Proposal**

GM Deutsch informed the Board that a biological assessment, which can only be done in the spring, needs to be completed at the Gypsum Canyon property. This assessment will also be needed as part of the anticipated EIR. LSA has submitted a proposal to complete this work which is estimated to cost \$69,500. GM Deutsch noted that if certain conditions are not found on the site, such as pooling water or roosting bats, some components such as the Spadefoot Toad Survey or the nighttime bat study will not need to be conducted and the District will not be billed for those components.

Vice Chair Nelson asked that if sensitive species or plant life is found, will the impede the District’s ability to develop the property? RJM Design said that if certain conditions are occurring we will have to abide by mitigation requirements. Counsel Quintanilla stated that just because you find a rare species does not mean that you can’t develop the site. You just have to follow protocols that will allow species to co-exist with the proposed development.

GM Deutsch also explained that the biological assessment is just one part of an EIR. There are multiple issues that will be examined including noise, traffic, etc.

**MOTION:** of Vice Chair Nelson, seconded by Trustee Hatch and carried by a roll-call vote of 4-0 (Trustee Ward absent for the vote), approved the proposal from LSA and authorized the General Manager to execute the professional service agreement with LSA in the amount of \$69,500.

The design team from RJM Design Group left the meeting at this time (11:35 a.m.).

GM Deutsch recommended that the Board return to Manager’s Reports with Item E.

**MANAGER’S REPORTS**


**E. Special District Risk Management Credit Incentive Program & Loss Prevention**

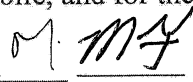
GM Deutsch explained that each year the District participates in two SDRMA cost savings programs. One program reduces premiums for property/liability and workers compensation policies. The other provides reimbursement for safety related training material or expenses.

The District has once again earned the maximum amount of premium savings and reimbursement. The District will be receiving a check for \$1,000 which will help to offset the cost of supplies used to prevent transmission of the COVID-19 virus. Vice Chair Nelson asked how much the District saved in premium costs. GM Deutsch answered that the District saved \$5,307 on our Property/Liability premiums and \$16,534 in Workers’ Compensation premiums.

**F. COVID-19 Update**

GM Deutsch stated that with the recent changes in the County’s COVID status, the District is still following the same restrictions it has followed over the last several months. We are still encouraging no more than 50 people to attend gravesite services, the offices are remaining closed to the public, and for the time being we are still not providing chairs at graveside services. GM

  
Chair

  
Secretary

Deutsch stated that he has heard reports that the likelihood of contracting the virus from surface exposure such as a chair is low, so staff will be discussing reinstating providing chairs for graveside services. About 50% of staff have been vaccinated with several staff having to take time off due to illness after receiving the vaccine. They are able to use Emergency Paid Sick Leave for these absences as well as for time spent going to their vaccination appointment. We are still attempting to provide customer service remotely when possible and have signed up for Docusign to make it easier for families to execute the required documents needed for interments.

GM Deutsch also informed the Board that FEMA is offering reimbursements for funeral expenses to families who have suffered a COVID related death. The reimbursement is up to \$9,000 per death or \$35,000 per family. The reimbursements will cover any COVID related deaths that have occurred since January 1, 2020. We are in the process of reaching out to families who may have been impacted to inform them about these possible reimbursements. GM Deutsch said he first learned of the reimbursements through ICCFA. He informed CAPC so other Cemetery Districts could be made aware of the new program. It is each family's responsibility to go to the FEMA website and file a claim. The District can provide families with copies of paid invoices if needed.

**NEW BUSINESS**

**B. Full Casket Interment Space Sale Limitation – El Toro Memorial Park**

GM Deutsch explained that over the last few months, the sale of interment space at El Toro Memorial Park has increased substantially. This is due to several factors including: the affordability of a public cemetery, the lack of casket space at Anaheim and Santa Ana, and the surge of COVID related deaths. GM Deutsch stated that in the past families would purchase an entire lot of 12 casket spaces. Some time ago this was reduced to a limit of six spaces. At the current rate of sale El Toro Memorial Park could be sold out of casket space within 4 ½ to 6 years. GM Deutsch is recommending that the District limit the sale of pre-need casket spaces to no more than two per household sharing the same street or mailing address. GM Deutsch stated that this should help to extend the longevity of available casket spaces at El Toro.

**MOTION:** of Trustee Hatch, seconded by Chair Marroquin and carried by a roll-call vote of 4-0 (Trustee Ward absent for the vote), adopted Resolution 2021-02, limiting the number of Pre-Need Casket Interment Spaces at the El Toro Memorial Park to two per household sharing the same street or mailing address.

**GENERAL COUNSEL REPORT**

Counsel Quintanilla reported that crematoriums are now being allowed to operate longer hours to accommodate the increase in deaths and reducing the wait time for families needing to have a loved one cremated. This may result in cemeteries seeing cremains coming in more quickly than what they have experienced previously. He also noted that Walmart stores are now starting to offer COVID vaccines.

**UNFINISHED BUSINESS – None**

**ITEMS FOR FUTURE AGENDAS - None**

  
Chair Secretary

**BOARD COMMENTS**

Vice Chair Nelson expressed his congratulations to Chair Marroquin for being selected as the Executive Director for the Orange County Sheriff’s Advisory Council.

**A. CSDA Fiscal Committee Meeting, March 11, 2021 (Virtual)**

Vice Chair Nelson reported that the committee received the 2020 Audit report, which had a clean opinion. Chair Nelson stated that CSDA had approximately \$4.8 million in revenue and \$4.6 million in expenses with a net income of \$263,000, which will be allocated to reserves.

**B. CAPC Board Meeting, March 24, 2021 (Virtual)**

Trustee Rivers attended the CAPC Board meeting where they discussed the upcoming Area/Educational meeting scheduled for October 2021.

**C. ISDOC Executive Committee Meeting, April 6, 2021 (Virtual)**

Vice Chair Nelson reported that the Second Vice President for ISDOC was appointed. He also stated that Chris Palmer gave a CSDA update on his efforts to make elected officials more aware of the association. Vice Chair Nelson also stated that there are nine candidates running for a seat on the CSDA Board for the Southern Network.

**ANNOUNCEMENTS**

**A. ISDOC Quarterly Meeting, April 29, 2021 at 11:30 a.m. (Virtual)**


Vice Chair Nelson, Chair Marroquin, Trustee Hatch, Trustee Rivers and GM Deutsch will all be attending the ISDOC Quarterly Meeting.


**B. Special District Legislative Days, May 18-19, 2021 (Virtual)**

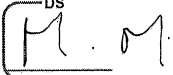

For every registration submitted, CSDA is offering a free registration for a first-time attendee to the Special District Legislative Days. Trustee Nelson, Trustee Rivers, Chair Marroquin and GM Deutsch are all interested in attending this virtual event. The District should be able to send two people at no cost, since Vice Chair Nelson is the only one from the District who has previously attended the event.

The next regular meeting will be held on **Tuesday, May 4, 2021**, 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 12:00 p.m.

DocuSigned by:  
  
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Chair

  
Secretary

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Chair Secretary