MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
EL TORO WATER DISTRICT
December 16, 2020

President Monin called the meeting of the Board of Directors of the ELTORO WATER DISTRICT to order via Zoom at 7:30 a.m. on December 16, 2020.

Director Vergara led in the Pledge of Allegiance to the flag.

Committee Members JOSE F. VERGARA, MARK MONIN, KATHRYN FRESHLEY, MIKE GASKINS, and KAY HAVENS participated.

Also present were DENNIS P. CAFFERTY, General Manager, JUDY CIMORELL, Human Resources Manager, JASON HAYDEN, CFO, GILBERT J. GRANITO, General Counsel, SCOTT HOPKINS, Operations Superintendent, and POLLY WELSCH, Recording Secretary,

Oral Communications - Public Comments

President Monin stated that at this time members of the public may address the Board or they may reserve this opportunity with regards to an item on the agenda, until the Board discusses said item later in today's meeting.

Items Received Too Late To Be Agendized

President Monin asked if there are any items that came to the attention of the District after the agenda was posted that require consideration and action at today's meeting. Mr. Cafferty replied no.

Consent Calendar

All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item.

1. Consider approving the November 24, 2020 Board meeting minutes.

Motion: Director Freshley made a Motion, seconded by Director Vergara, and unanimously carried across the Board to approve the Consent Calendar.

Roll Call Vote:

Director Freshley	aye
Director Havens	aye
President Monin	aye
Vice President Gaskins	aye
Director Vergara	aye

Director Reports for Meetings Attended

Director Havens stated that she attended the ACWA Fall conference, the South Orange County Flow Ecology workshop and conference, the WACO meeting, the Mission Viejo City Council meeting, LAFCO, ACWA Region 10 meeting, a Women in Water meeting and reception with Gloria Gray, the regular Engineering/FIC meeting, today's Board meeting, and she will be attending the Orange County WateReuse and the MWDOC Public Affairs & Legislation meetings.

Director Freshley stated that she attended the WACO meeting, the JPIA seminar on Cyber Crime, the MWDOC/MET Directors workshop, the regular Engineering/FIC meetings, today's Board meeting, the RRC meeting, the SOCWA Finance Committee meeting, the SOCWA Board meeting, the ACWA Engineering Committee meeting, the Laguna Woods City Council meeting, a CAL LAFCO seminar on proactively navigating LAFCO issues, the ACWA Fall conference, the OC LAFCO meeting, another CAL LAFCO seminar on the scope of LAFCO authority, and a Women in Water meeting and reception.

President Monin asked what was discussed at the Women in Water meeting. Director Freshley replied that they had a lot of questions for Gloria Gray and she discussed her background and accomplishments.

Director Vergara stated that he attended the ACWA Fall conference, the WACO meeting, the WACO Planning Committee meeting, the regular Engineering/FIC meetings, todays Board meeting, the South County Agencies meeting, and will be attending the WateReuse meeting today and a South County Agencies meeting tomorrow.

Vice President Gaskins stated that he attended the ISDOC Executive Committee meeting, the JPIA meeting, the ACWA Fall conference, the ACWA Region 10 meeting, the Agenda Review meeting, two President/VP/GM meetings, the RRC meeting, the WACO meeting, the regular Engineering/FIC meetings, todays Board meeting, and will be attending the SAC meeting and the MWDOC Public Affairs meeting, and the ACWA Water Quality Committee

meeting.

President Monin stated that he attended the ISDOC Executive Committee meeting, a Lake Forest meeting on CCA's with the utilities, the ACWA Fall conference where the topics were JPIA, Energy and Water Trends, a State-wide Issue Forum, an award for Paul Jones' retirement, California Climate Change, wildfire partnership, and a working collaboration on the Colorado River. He also attended the WACO meeting, the MWDOC Admin/Finance meeting, ACWA Region 10 meeting, 2 President/VP/GM meetings, the regular Engineering/FIC meetings, and today's Board meeting.

General Manager Action Items

South County Agencies Group Meeting

Mr. Cafferty stated that they discussed the vacant seat at the MET Board when Larry McKenney left. He further stated that Dennis Erdman and Paul Jones have expressed an interest in the vacant seat.

Mr. Cafferty stated that the Board will consider approving the Board President's assignment of Director Jose Vergara as the District's representative on the South County Agencies Group MET Director Selection Committee.

Motion: President Monin made a motion, seconded by Vice President Gaskins and unanimously carried across the Board to approve the Board President's assignment of Director Jose Vergara as the District's representative on the South County Agencies Group MET Director Selection Committee.

Roll Call Vote:

Director Freshley	aye
Director Havens	aye
President Monin	aye
Vice President Gaskins	aye
Director Vergara	aye

Election of Officers

Mr. Cafferty asked Mr. Granito if he could administer the Oath of Office to the Officers and obtain their written signatures when they have the opportunity to come into the office. Mr. Granito replied yes.

Office of the President

Mr. Cafferty stated that the District's Bylaws stated that the Vice President moves into the President position, so Vice President Gaskins is now the District's President for calendar year 2021.

Election of Vice President

Motion: Director Vergara made a Motion, seconded by Director Havens and unanimously carried across the Board nominating Director Kathryn Freshley as the Vice President for calendar year 2021.

Roll Call Vote:

Vice President Freshley	aye
Director Havens	aye
Director Monin	aye
President Gaskins	aye
Director Vergara	aye

Director Freshley accepted the nomination and is now the District's Vice President.

Appointment of Treasurer

Mr. Cafferty stated that he is suggesting that the Board appoint Jason Hayden as the new Treasurer of the El Toro Water District.

President Gaskins asked for a Motion.

Motion: Director Monin made a Motion, seconded by Vice President Freshley and unanimously carried across the Board to appoint Jason Hayden as the new Treasurer of the El Toro Water District.

Roll Call Vote:

Vice President Freshley	aye
Director Havens	aye
Director Monin	aye
President Gaskins	aye
Director Vergara	aye

Ratification of Existing Officer Appointments

Mr. Cafferty stated that there is nothing to ratify, only confirming the existing Officers for the offices of Secretary (Dennis Cafferty) and Assistant Secretary (Judy Cimorell).

President Gaskins asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director Havens and unanimously carried across the Board to confirm the existing Officers for the offices of Secretary (Dennis Cafferty) and Assistant Secretary (Judy Cimorell).

Roll Call Vote:

Vice President Freshley	aye
Director Havens	aye
Director Monin	aye

President Gaskins	aye
Director Vergara	aye

Oath of Office

Mr. Cafferty gave the Oath of Office to the new President, Vice President, and Treasurer of the El Toro Water District.

Resolution No. 20-12-3 Establishing Date, Time, and Place of Regular Board Meetings and Board/Engineering & Finance/Insurance Committee Meetings for Calendar Year 2021

Mr. Cafferty stated that included in the Board package are the Board meeting and Engineering/Finance meetings for calendar year 2021.

President Gaskins asked for a Motion.

Motion: Vice President Freshley made a Motion, seconded by Director Monin and unanimously carried across the Board to adopt Resolution No. 20-12-3 which establishes date, time and place of Regular Board Meetings and Board/Engineering & Finance/Insurance Committee meetings for calendar year 2021.

Roll Call Vote:

Vice President Freshley	aye
Director Havens	aye
Director Monin	aye
President Gaskins	aye
Director Vergara	aye

Resolution No. 20-12-4 Approving the updated ETWD Sewer System Management Plan

Mr. Cafferty stated that this Plan is required to be updated every 5 years.

Director Havens asked why the date of the document is 2019, and asked if we are a year behind. Mr. Cafferty replied that is correct due to staffing issues associated with COVID and a medical leave. Mr. Cafferty further replied that the next update will be completed on time.

President Gaskins asked if we will be updating the Plan in 2024. Mr. Cafferty replied yes.

President Gaskins asked for a Motion.

Motion: Director Vergara made a Motion, seconded by Vice President Freshley and unanimously carried across the Board to adopt Resolution No. 20-12-4 which approves the updated El Toro Water district Sewer System Management Plan (SSMP) consistent with State Water Resources Control Board Order No. 2006-0003. The Board also approved receiving and filing the SSMP document.

Roll Call Vote:

Vice President Freshley	aye
Director Havens	aye
Director Monin	aye
President Gaskins	aye
Director Vergara	aye

Resolution No. 20-12-5 Commemorating the Retirement of MWDOC/MET Director Larry McKenney from the Metropolitan Water District Board

President Gaskins asked for a Motion.

Motion: Director Vergara made a Motion, seconded by Director Havens and unanimously carried across the Board to adopt Resolution No. 20-12-5 which commemorates the accomplishments and service of Larry McKenney on the Metropolitan Water District of Southern California Board of Directors.

Roll Call Vote:

Vice President Freshley	aye
Director Havens	aye
Director Monin	aye
President Gaskins	aye
Director Vergara	aye

Resolution No. 20-12-6 Directors Compensation Policy

Mr. Cafferty stated that this policy was discussed at the last Board meeting and is being brought back to the Board for further discussion. He further stated that this Resolution proposes changes to the Directors Compensation Policy to add health insurance as a benefit.

Director Monin stated that he feels each Director should be allowed to make their own choice of whether they would like medical insurance or long-term care.

Director Vergara asked how many Directors are using the long-term care insurance. Mr. Cafferty replied three. Director Vergara asked if any of the 3 would benefit by switching to medical instead of long-term care. Mr.

Cafferty replied that possibly 2 of the Directors could benefit by switching to medical.

Vice President Freshley agreed that there should be flexibility for each Director to select from among several options.

Director Havens stated that she feels that each Director should be allowed to make an individual choice.

President Gaskins stated that he agrees with the option of choice for each Director.

President Gaskins asked for a Motion.

Motion: Director Vergara made a Motion, seconded by Director Monin and unanimously carried across the Board to adopt Resolution No. 20-12-6 which proposes changes to the Directors Compensation Policy to add health insurance as an optional benefit that members of the District's Board of Directors may select in lieu of Long Term Care Insurance.

Roll Call Vote:

Vice Presient Freshley	aye
Director Havens	aye
Director Monin	aye
President Gaskins	aye
Director Vergara	aye

General Manager Information Items

COVID-19 Update

Mr. Cafferty stated that we extended the Emergency Leave through February. He further stated that there is now a new sub-tier level of pandemic metrics driving regional stay at home orders.

Mr. Cafferty stated that hospitals in Orange County are suffering. He further stated that staff continues to take safety protocols with limited office staff and alternate work shifts in the field.

At approximately 8:35 a.m. Mr. Hopkins left the meeting.

General Manager's Monthly Report

Mr. Cafferty stated that included in the General Managers report is a group letter that came from the South County Agencies to MET regarding the selection of a General Manager. He further stated that Don Chadd from Trabuco Canyon, who is the Chairman of the South County Agencies signed the letter.

Vice President Freshley asked on the Collection System Activity Report, can we show what our expectations are and/or planned to do. Mr. Cafferty replied that we could modify the report to show current progress.

Director Havens stated that she watched a Laguna Woods meeting where they mentioned that ETWD was going to give a 15 minute presentation at an upcoming meeting. Mr. Cafferty replied that following the last CAG meeting where we gave a presentation on the Sewer System maintenance, Lynn Jarret reached out to him and asked if staff could provide a briefer presentation to the Third Mutual Board. He further stated that he will make himself available and provide a briefer presentation for them.

Director Monin suggested putting some information in the Breeze newsletter.

Public Education and Outreach & Water Conservation Reports

Director Monin stated that in the MWDOC Admin/Finance meeting they discussed MWDOC's involvement with UCI, Fullerton, and other 4-year colleges, and he brought up Saddleback, Rancho Santiago, and OC Community colleges. Mr. Cafferty stated that we will focus on being involved with these colleges when we have the opportunity to do so.

SOCWA Reports

Mr. Cafferty stated that at the Finance Committee they focused on the SOCWA Finance report, their CAFR, OPEB issues, and some financial statements.

Vice President Freshley stated that the SOCWA Board meeting is tomorrow.

Mr. Cafferty stated for the past year the Managers from the 10 member agencies have been meeting to discuss issues and some discussions have been about the JPA agreement in which they are trying to simplify the terms and conditions of various agreements. He further stated that we will be going from 10 agencies to 8 as San Juan Capistrano is being absorbed by Santa Margarita, and Irvine has made it clear that they are leaving SOCWA but will continue to contract in the Ocean Outfall and the Effluent Transmission Main.

MWDOC

Director Monin stated that at the MWDOC Admin/Finance meeting they made a point that a person has been hired by the Sierra Club to work on opposing the Delta project. He further stated they also brought up Charlie

Wilson's organization, and rates being bundled or unbundled from MET.

Vice President Freshley asked what did they mean by rates being bundled or unbundled. Mr. Cafferty replied that they are individual line items with individual rates, so MET's rates are system access rates, power rates, and there used to be a water stewardship rate that went to zero this year. He further stated that they also have a Tier 1 supply rate, and a separate treatment surcharge if you are buying treated water.

Director Vergara stated that years ago MET sold 2.1 million acre feet per year, and now the projection is 1.5 million acre feet per year, which is a substantial amount of revenue loss. He further stated that in addition to this, several agencies collaborated to build the Baker Plant and are now buying untreated water so there is an amount of money that MET has invested in treatment plants where they can't recover the money.

LAFCO

Vice President Freshley stated that at the LAFCO meeting they discussed the dedicated service of Cheryl Brothers. She further stated that they also selected Doug Davert as the new Chair, and Lisa Bartlett as the Vice Chair.

SOCWMA

Director Havens stated that she attended the South Orange County Flow Ecology Study where they are working on a Flow Ecology Model Tool. She further stated that they will most likely try to calibrate this tool using 40 year old Arroyo Toad data.

ISDOC

Director Monin stated that they discussed the letter going out about MET's criteria for a General Manager. He further stated that they also discussed Yorba Linda's Helipad project.

At approximately 9:25 a.m. Mr. Hayden left the meeting.

WACO

Director Vergara stated that they discussed an update on Mesa Water's study on the integrity of their pipeline. He further stated that for the next meeting they will have Mike Gunson who is a PhD and a scientist from JPL and he will speak about the global change and energy program.

Director Vergara stated that they announced the new Vice Chair, Mark Monin.

Director Havens stated that e-pulse technology and the accuracy of it was part of the presentation.

Director Monin asked if we are mapping in GIS past failures and any potential future failures. Mr. Cafferty replied yes.

City Coordination Efforts

There were no comments.

Committee and General Information

Dates to Remember for December 2020/January 2021

There were no comments.

Comments Regarding Non-Agenda Items

Mr. Cafferty stated that staff is discussing with Raftelis the potential to

perform a new Cost of Service Study evaluating existing rates.

Attorney Report

Mr. Granito reported that there is no need for a Closed Session today, so regular session continued.

Adjournment

There being no further business to come before the Board the meeting was adjourned at 9:47 a.m.

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

MIKE GASKINS, President of
the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and
the Board of Directors thereof