MINUTES OF THE REGULAR MEETING
OF THE
ENGINEERING COMMITTEE MEETING

June 25, 2019

Director Freshley called the Meeting of the Engineering Committee to order at 7:30 a.m. on June 25, 2019.

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

Present at today's meeting were Committee Members JOSE F. VERGARA, MARK MONIN, KATHRYN FRESHLEY, MIKE GASKINS, and KAY HAVENS.

Also present were ROBERT R. HILL, General Manager/Secretary, DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, JUDY CIMORELL, Human Resources Manager, NEELY SHAHBAKHTI, Finance Manager/Controller, RICK OLSON, Operations Superintendent, BOBBY YOUNG, Project Engineer, GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, STACY TAYLOR, MESA Water District, JIM FISLER, MESA Water District, MIKE MIAZGA, IT Manager (arrived at 9:30 am), and MARK CAREY, MC Engineering, Inc. (arrived at 9:30 am).

Oral Communication/Public Comment

Mr. Jim Fisler introduced himself and asked the Board to vote for him as the Special Districts Regular seat at OC LAFCO. He is currently the Special Districts Alternate at OC LAFCO.

Items Received too Late to be Agendized

Director Freshley asked if there were any items received too late to be agendized. Mr. Hill replied yes, which will be discussed after today's Closed Session.

Director Freshley stated that we would be holding the Closed Session first thing today.

Closed Session

At approximately 7:45 o'clock a.m. the Board went into Closed Session as agendized on today's Closed Session agenda. Also at this time, Ms. Taylor, Mr. Fisler, Mr. Hill, Mr. Cafferty, Mr. Olson, Mr. Young, Ms. Shahbakhti, and Ms. Welsch left the meeting.

Open Session

At approximately 8:59 o'clock a.m. the Board returned to Open Session. Also at this time, Mr. Hill, Mr. Cafferty, Mr. Olson, Mr. Young, Ms. Shahbakhti, and Ms. Welsch returned to the meeting.

Report on Closed Session

Mr. Granito reported that at approximately 7:45 o'clock a.m. the Board went into Closed Session with regard to item #2 of today's Closed Session agenda. Following discussions concerning the appointment of a General Manager to serve following Mr. Hill's scheduled retirement.

Mr. Granito reported that following consultation with the Board's designated representatives (Ad Hoc Negotiating Committee members President Vergara and Director Gaskins), the Board returned to Open Session at approximately 8:59 o'clock a.m.

Mr. Granito reported that anticipated action on this matter will take place in Open Session today as reflected in item #11 of today's agenda. No further reportable action was taken.

Appointment of General Manager and Approval of Employment Agreement

Mr. Granito reported that the following discussion with the Board in today's Closed Session, the Ad-hoc Negotiating Committee recommends that the following terms be incorporated in the draft employment agreement that is before the Board today:

- Term of General Manager agreement to be 3 years, terminating June 30, 2022
- General Manager Salary of $247,000 annually
- General Manager Automobile allowance of $600
- General Manager Severance package term of 6 months
- General Manager Medical severance package term of 6 months, following termination without cause

Director Freshley asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Director Freshley and unanimously carried across the Board to approve the appointment of Dennis P. Cafferty to the position of General Manager, effective July 1, 2019, and to approve the employment agreement reviewed today that incorporates the terms noted above for said position/appointment.

Roll Call Vote:

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

The Board congratulated Mr. Cafferty on his new position with the District as General Manager.

Items Received too Late to be Agendized

Assembly Bill 1752 (Petrie-Norris): South Coast Water District - Support

Mr. Hill stated that this item was received too late to be agendized. He further stated that the bill will authorize the South Coast Water District (SCWD) to access awarded state bond monies and state revolving funds to assist in the design-build construction of the Doheny Ocean Desalination Facility located in Dana Point.

Mr. Hill stated that MWDOC is spearheading a draft memo to obtain signatories in support of this bill which extends the funding for Prop 1 to allow SCWD to access the $10 million grant fund.

Director Freshley asked for a Motion.

Motion: Vice President Monin made a Motion, seconded by Director Gaskins and unanimously carried across the Board for El Toro Water District to become a signatory to the coalition letter supporting Assembly Bill 1752.

Roll Call Vote:

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

OC LAFCO Election for the Special District Regular and Alternate Seats

Mr. Hill stated that the ballots for each seat (2 candidates for the Regular seat and 3 candidates for the Alternate seat) were received on June 17th. He further stated that the ballots are due to LAFCO by 3:00 pm on Friday, July 19, 2019.

Vice President Vergara asked whether both Districts have supported ETWD in past projects. Mr. Hill replied that they both have done an excellent job of communicating the fact that they would not support involuntary dissolutions or mergers, and they believe that LAFCO should be a facilitator.

Mr. Hill stated that in 2002 the SMWD Board demonstrated their appreciation for local control and supporting ETWD when we were being considered for dissolution involuntarily. He further stated that we have a history of shared services with SMWD, they are contracted to a portion of the R-6 Reservoir, and we have hydro-cleaned their sewer lines. Mr. Hill stated that Mesa did drive to take over Mesa Sanitary District, but it didn't happen. He further stated that the City of San Juan and SMWD are working on a voluntary merger.

Director Freshley asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by President Vergara and unanimously carried across the Board to vote for Saundra Jacobs for the LAFCO Regular Seat, and to vote for Kathryn Freshley for the LAFCO Alternate seat.

Roll Call Vote:

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

Engineering Committee

Consent Calendar

1. Consider approving the minutes of the May 21, 2019 Engineering Committee meeting.

Director Freshley asked for a Motion.

Motion: Vice President Monin made a Motion, seconded by Director Havens, and unanimously carried across the Board to approve the Consent Calendar.

Roll Call Vote:

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

Engineering Action Items

Phase II Recycled Water On-Site Conversions

Mr. Young stated that the District issued a Notice inviting Bids for the construction of the on-site retrofits for the Phase II Recycled Water Distribution System Expansion Project on May 17th to 7 qualified contractors. He further stated that 5 of the contractors attended the mandatory pre-bid meeting, with 1 of the original 7 stating that they were too busy. Mr. Young stated that the District received 2 formal bids, with the low bid submitted by Evolution Landscaping, Inc.

Mr. Cafferty stated that there was an irregularity in the bid package. He further stated that following the pre-bid meeting, a summary of the meeting was issued in the form of an addendum. The contractors were required to sign, acknowledge, and submit the addendum with the bid package. Mr. Cafferty stated that the low bidder failed to do

this, which wasn't intentional; they didn't quite understand that it was a requirement. He further stated that staff reviewed this with General Counsel and concluded that the addendum was just a summary of the pre-bid meeting and contained no new information to change or impact the bid.

Mr. Cafferty stated that it was an irregularity, and is inconsequential and did not create a competitive advantage for the second lowest bidder.

Director Freshley asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Vice President Monin and unanimously carried across the Board to authorize the District's General Manager to enter into a construction contract with Evolution Landscaping, Inc. in the amount of $522,609 for construction of recycled water retrofits at identified recycled water use sites, and to waive irregularities in the bid as deemed inconsequential and insubstantial.

Roll Call Vote:

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

Engineering General Information Items

Capital Project Status Report

Mr. Cafferty stated that Bobby Young will report on the Capital Projects.

Oso Lift Station Project

Mr. Young stated that District staff continues to work with MNWD on the plans and agreement for the proposed emergency overflow connection from the Oso Lift

Station to the MNWD sewer collection system near the station. He further stated that the lease agreement is on the County Board of Supervisors agenda for their July 16th meeting for approval.

Director Havens asked if we will be sending a representative to their July 16th meeting. Mr. Cafferty replied that we are not anticipating doing so, as we understand that their staff is completely supportive.

Director Freshley asked about the Coastal Conservancy. Mr. Young replied that they are still reviewing the agreement and have not received a final response from them.

Laboratory Certification Update

Mr. Cafferty stated that we have completed the proficiency training that will allow staff to perform work in the SOCWA lab under the SOCWA ELAP certification. He further stated that ETWD lab personnel are performing analyses at the SOCWA lab which minimizes the costs of outsourcing a private lab.

Advanced Metering Infrastructure (AMI) Feasibility Study & Alternatives Analysis

Mr. Miazga introduced Mark Carey of MC Engineering.

Mr. Carey gave a brief background on himself and MC Engineering. He then provided a presentation to the Board on the AMI Feasibility Study and Alternatives Analysis.

Mr. Carey discussed manual to fixed base infrastructure, multi point collectors, meshed repeaters, and cellular options. He further stated that there are different costs associated with different networks.

Mr. Carey explained the difference between meter sizes, costs, and age breaks. He further stated the possibility of retro-fitting the meters rather than replacing existing meters.

President Vergara asked how accurate the existing meters are. Mr. Carey replied that old meters decrease the accuracy of readings, especially at low flow.

Mr. Carey stated that there are many hours related to the AMI system that need to be monitored. He further stated that they reviewed Propagation studies by several different vendors.

Director Gaskins asked with the upcoming 5g network, should we postpone and wait until we have the latest update. Mr. Carey replied that it is an option. Mr. Miazga replied that postponing could be inconsequential.

Director Havens asked if security could be an issue. Mr. Miazga replied that security should not be a problem.

Mr. Carey showed a breakdown of costs associated with the options for the AMI system. He further stated that this system will help customers by using a portal to monitor their usage, as well as tracking water loss.

Mr. Carey stated that AMI is becoming the industry standard.

President Vergara asked how they come up with the $5-6 million cost. Mr. Carey replied that quotes were taken from the vendors for the infrastructure, total number of replacement meters, how many boxes need to be retrofitted, lids, collectors, software costs, engineering, construction management, bidding, a contingency, and an average was prepared of these costs.

Mr. Cafferty stated that the costs include a Transmitter that goes into the meter box, as well as the collector system.

President Vergara asked if we reviewed any data from MNWD, as they have been using an AMI system for a few years. Mr. Cafferty replied that there are a number of systems using AMI with several different vendors and collecting data.

Director Gaskins asked if electronic meters have a longer use life and accuracy. Mr. Carey replied that the factor would be the battery life

Director Gaskins asked if the TDS in the water would have an impact on the battery due to electromagnetic impulses. Mr. Carey replied that he doesn't believe it would have an impact.

Director Havens asked if there is a failure rate and how many years has the electronic meters been available. Mr. Carey replied that it varies.

Director Havens asked for additional information on the battery life. Mr. Carey replied that battery life is critical to transmission and would need to be removed and replaced, possibly every 10 years.

Mr. Cafferty stated that staff replaced 4 meters to monitor and examine hourly readings during different flow times.

Director Freshley asked what benefit is this to the customers. Mr. Carey replied that customers can track their hourly usage through the portal and determine when they are using more water throughout the day.

Engineering Items Discussed at Various Conferences and Meetings

There were no comments.

Comments Regarding Non-Agenda Engineering Committee Items

There were no comments.

Adjournment

There being no further business to come before the Board, the following motion was duly made and passed.

Motion: Director Gaskins made a Motion, seconded by Vice President Monin and unanimously carried that today's meeting be adjourned at 10:42 o'clock a.m. to Tuesday, July 23, 2019 at 7:30 o'clock a.m. at the District's Administrative Offices at 24251 Los Alisos Blvd, Lake Forest, CA. 92630.

Roll Call:

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

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

JOSE F. VERGARA, 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