MINUTES OF THE REGULAR MEETING
OF THE
ENGINEERING COMMITTEE MEETING

April 20, 2020

President Monin called the Meeting of the Board to order at 7:30 a.m. on April 20, 2020.

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

Also participating via Zoom were DENNIS P. CAFFERTY, General Manager, JUDY CIMORELL, Human Resources Manager, NEELY SHAHBAKHTI, Finance Manager/Controller, RICK OLSON, Operations Superintendent, BOBBY YOUNG, Principal Engineer, RORY HARNISCH, Engineer, GILBERT J. GRANITO, General Counsel, SARINA SRIBOONLUE, ARCADIS Representative, POLLY WELSCH, Recording Secretary, and CAROL MOORE, Laguna Woods City Council Member.

Pledge of Allegiance

Director Vergara led in the Pledge of Allegiance.

Oral Communications/Public Comments

Ms. Moore commented that she appreciates the District taking care of its customers during this challenging time.

Items Received Too Late to be Agendized

President Monin asked if there were any items received too late to be agendized. Mr. Cafferty replied no.

Engineering Committee Meeting

At approximately 7:50 a.m. Director Freshley called the Engineering Committee meeting to order.

Consent Calendar

1. Consider approving the minutes of the March 23, 2020 Engineering Committee meeting.

Director Freshley asked for a Motion.

Motion: President Monin made a Motion, seconded by Vice President Gaskins, 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

Engineering Action Items

City of Laguna Hills Street Pavement Rehabilitation Project

Mr. Cafferty stated that the City will periodically resurface streets within their jurisdiction. He further stated that when this is done, our valves and manholes get buried.

Mr. Cafferty stated that the normal process is that the City's contractor raises the valves and manholes to the new street surface as part of their contract then the City requests reimbursement from the District. He further stated that our inspector will then make sure that everything is properly raised to grade.

Director Freshley asked for a Motion.

Motion: President Monin made a Motion, seconded by Director Vergara, and unanimously carried across the Board to authorize the District's General Manager to approve payment to the City of Laguna Hills invoice in the amount of $75,880 for digging out valves and manholes in the District's service area as part of the City of Laguna Hills' Capital Improvement Program.

Roll Call Vote:

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

Cal Trans Utility Agreement

Mr. Cafferty stated that Cal Trans is expanding the I-5 freeway from El Toro Road to Alicia Parkway. He further stated that the portion of the project that directly impacts the District is along Avenida de la Carlota between El Toro Road and Los Alisos Blvd where there are a number of existing water facilities that will need to be relocated to accommodate the expansion of the freeway.

Mr. Cafferty stated that Cal Trans is determining who is responsible for the costs of the relocations. He further stated that some of the water lines were relocated 25 years ago when Cal Trans expanded the freeway previously.

Mr. Cafferty stated that the proposed agreements address the relocations for which Cal Trans has accepted responsibility of the cost. . Mr. Cafferty further stated that there are several other utility relocations for which the District and Caltrans are still negotiating cost responsibility.

Mr. Cafferty stated that he would like to get these agreements executed while we continue to determine who is liable for the remainder of the relocations.

Director Freshley asked what happens if we don't come to agreement on the other facilities. Mr. Granito responded that if we fail to arrive at a solution that both are mutually agreeable to, the parties could enter into a stipulation so as not to hold up the freeway expansion project. Mr. Granito further reported that they could proceed at their cost with the reservation of the right to argue and discuss the legal liability for the costs in court, which would not necessarily delay the freeway expansion project.

Director Freshley asked for a Motion.

Motion: Vice President Gaskins made a Motion, seconded by Director Havens, and unanimously carried across the Board to authorize the District's General Manager to execute Utility Agreement No. 12-UT-1450 and Utility Agreement No. 12-UT-1285.

Roll Call Vote:

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

The Village at Laguna Hills Water Supply Assessment

Mr. Cafferty stated that this project is evolving after being on hold for quite some time. He further stated that Merlone Geier has defined a new plan and requested that the District prepare a Water Supply Assessment based on their new plan.

Mr. Cafferty stated that Merlone Geier has agreed to pay for the new Water Supply Assessment and the District has awarded a contract to Arcadis, the consultant who completed the original Water Supply Assessment for the 5 Lagunas Project. He further stated that Sarina Sriboonlue from Arcadis is participating in today's meeting and will provide an overview of the effort and their conclusions.

Ms. Sriboonlue stated that the Water Supply Assessment will address whether the projected water supply for the next 20 years would meet the demand for the project. She further stated that the report concluded that the total projected water supplies available to the District over the next 20 years were sufficient to meet the water demands for the project.

Ms. Sriboonlue stated that they have reviewed the Plan's water demand compared to existing usage, and projected out over a 20-year period.

Ms. Sriboonlue stated that the study concluded that the District would have a sufficient supply of water during the next 20 years for this project.

President Monin asked how many people during the course of a day would be occupying the planned office space once it's fully occupied. Ms. Sriboonlue replied that for the threshold as a rule of thumb, 250,000 square feet which could hold approximately 1,000 people depending what the specific business is. Mr. Cafferty stated that 2,000 people could occupy the Commercial space, and approximately another 3,000 people in the Residential space (based on 2 people per unit) at full occupancy. He further stated that there would also be additional people in the Retail and hotel spaces.

Mr. Cafferty stated that when the project is complete, there will be mostly Restaurants, some Retail, and mostly Commercial use in this Phase of the Project.

Mr. Cafferty stated that we asked what time frame do they expect to complete this Phase of the Project, and the answer is driven by the market, with the first Phase being some Retail, one of the Office buildings, and a few apartment buildings.

Director Vergara asked if the demand will be 321 acre feet per year, with 9% being irrigation, will this be potable water. Mr. Cafferty replied that we don't have recycled water in that area.

Director Havens asked what our projected major infrastructure deliverables would look like on this project. Mr. Cafferty replied that the Developer will build everything needed to serve this project.

President Monin asked about the area called "Central Park", will this be grass, turf, or what type of surface. Mr. Cafferty replied that we haven't seen that type of detail yet.

President Monin asked if there are any plans for storm water recapture. Mr. Cafferty replied that there isn't that detail yet.

Director Freshley asked on page 25, in the chart it shows Total Demand in 2020 of 8,321 acre feet and the Total Supply needed at 8,321, and asked why the Supply is equal to the Demand. Ms. Sriboonlue replied that they followed the Urban Water Management Plan approach, and if you look on page 8, Table 2-3 is where we reviewed Water Rights and Imported Supplies. Mr. Cafferty added that the focus of the analysis is specific to this Project.

Director Freshley asked for a Motion.

Motion: Director Vergara made a Motion, seconded by President Monin, and unanimously carried across the Board to approve and accept the Water Supply Assessment for the Village at Laguna Hills Project, and authorize the District's General Manager to transmit same to the City of Laguna Hills to be incorporated into and/or by reference in the 5 Lagunas Project environmental documents.

Roll Call Vote:

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

The Board thanked Sarina for Arcadis' hard work on preparing the Water Supply Assessment report.

At approximately 8:30 a.m. Ms. Sriboonlue left the meeting.

Engineering General Information Items

Capital Project Status Report

Director Freshley asked why all of a sudden we have suspended the Capital projects. Mr. Cafferty replied that the current challenges we face are creating more difficult issues, as some projects involve bringing a Contractor onto the site when we are taking aggressive steps to minimize even our own staff on the site.

Mr. Cafferty stated that the Recycled Water project, for example, sending Contractors running through Laguna Woods Village which is a vulnerable community, generates some concern.

Mr. Cafferty stated that we put most of the Capital projects on hold while we assess what is happening and what the future might look like due to the undetermined end to the pandemic.

Director Vergara stated that he feels it is not fair to leave the decision to make regarding the Capital Projects to one person, the General Manager. He further stated that he feels that the Board should look into what is going on, and we expect to have a number of customers who are unable to pay their water bills, and then the Governor made it mandatory in the state of California that we cannot shut off customers' water for

unpaid bills during this pandemic.

Director Vergara stated concern for the District and how much it can sustain with customers not paying their water bills. He proposed that at the next meeting he would like the Board to add to the agenda a discussion of what approach the Board would need to take on how to manage the Reserves, and take action in case this pandemic goes long and how the District's Revenues will be impacted.

Director Vergara stated that since we are a Public Entity we should keep working as normal in order to keep providing the service and the economy moving, and so he is proposing that we defer discussion on the Capital Projects and any impact on the District's Reserves until Thursday's Board meeting.

Director Havens stated that she attended an ACWA webinar last week on long-term financial impacts of the COVID-19 pandemic that could happen. She further stated that the speaker talked of any agencies with bond issues, if they stop spending money on essential infrastructure, to be able to justify the reasons.

President Monin stated that he agrees with Director Vergara, when talking with Consultants and Engineers, they are worried about people not paying their bills.

Vice President Gaskins stated that regarding maintenance of infrastructure and preventing maintenance, he feels we should proceed with essential Capital Projects.

President Monin stated that he feels we could slow down any non-immediate projects during this pandemic.

Engineering Items Discussed at Various Conferences and Meetings

There were no comments.

Comments Regarding Non-Agenda Engineering Committee Items

There were no comments.

Close Engineering Committee Meeting

At approximately 8:45 a.m. the Engineering Committee meeting was deferred to Thursday's regular Board meeting to further discuss the District's Capital Projects.

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

MARK L. MONIN, 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