I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.

ROBERT R. HILL, Secretary of the El Toro Water District and the Board of Directors thereof

EL TORO WATER DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS AND PUBLIC HEARING

April 23, 2015
7:30 a.m.

CALL MEETING TO ORDER – President Goldman

PLEDGE OF ALLEGIANCE – Director Vergara

ORAL COMMUNICATIONS/PUBLIC COMMENTS

Members of the public may address the Board at this time or they may reserve this opportunity with regard to an item on the agenda, until said item is discussed by the Board. Comments on other items will be heard at the time set aside for “DIRECTORS COMMENTS/NON-AGENDA ITEMS.” The public will identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize items(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

ACWA/JPIA

Mr. Andy Sells, ACWA-JPIA Risk Management Manager, will present the District with an insurance refund from the JPIA Pooled Rate Stabilization Fund.

PRESENTATION OF AWARDS, RECOGNITIONS AND INTRODUCTIONS

a. Service Awards
1) Mr. Hill will recognize and congratulate on behalf of the Board, Jim Redding, Crew Chief, for 30 years of service with the District.

2) Mr. Hill will recognize and congratulate on behalf of the Board, Raully Russell, Collections Maintenance Worker 1, for 5 years of service with the District.

3) Mr. Hill will recognize and congratulate on behalf of the Board, Phillip Lingenfelter, Wastewater Operator 3, for 5 years of service with the District.

b. Continuing Education & Training, Degree and Certification Program acknowledgement

No acknowledgements this month.

c. Special District/Employee Association/Community Award Acknowledgement and Employee Special Recognition

No acknowledgements this month.

1. ETWD’S Waste Discharge Pretreatment and Source Control Program Ordinance 2010-2 (Reference Material Included)

Staff will review and comment on the necessity and process to replace the District’s Waste Discharge Pretreatment and Source Control Program Ordinance 2010-2 with Pretreatment Ordinance No. 2015-2.

OPEN PUBLIC HEARING

2. Public Hearing Regarding Adoption of ETWD’s Waste Discharge Pretreatment and Source Control Program Ordinance 2015-2 (Reference Material Included)

At this time the Board will conduct a Public Hearing to receive and consider public comments regarding adoption of ETWD’s Waste Discharge Pretreatment and Source Control Program Ordinance 2015-2.

PUBLIC COMMENT

The Public will be invited to comment on ETWD’s Waste Discharge Pretreatment and Source Control Program Ordinance 2015-2.

CLOSE PUBLIC HEARING

The Board President will close the Public Hearing at this time.

REGULAR SESSION
3. **Resolution No. 15-4-3 Adopting ETWD’s Waste Discharge Pretreatment and Source Control Program Ordinance 2015-2** (Reference Material Included)

The Board will review Resolution No. 15-4-3 and consider taking action on same.

**Recommended Action:** The Board will consider adopting Resolution No. 15-4-3 which resolution adopts ETWD’s Waste Discharge Pretreatment and Source Control Program Ordinance 2015-2 effective May 1, 2015.

**RESOLUTION NO. 15-4-3**

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL TORO WATER DISTRICT ADOPTING ETWD’s WASTE DISCHARGE PRETREATMENT AND SOURCE CONTROL PROGRAM ORDINANCE NO. 2015-2 WHICH REPLACES EL TORO WATER DISTRICT’S PRETREATMENT ORDINANCE NO. 2010-2 IN ITS ENTIRETY

**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)

4. **Approval of Minutes** (Minutes Included)

Consider approving minutes for the March 26, 2015 Board of Directors meeting.

5. **Attendance at Conferences and Meetings**

There were no requests.

**APPROVAL OF ITEMS RECOMMENDED FOR APPROVAL BY THE BOARD OF DIRECTORS, THE ENGINEERING, AND FINANCE/INSURANCE COMMITTEES (FIC):**

(Reference Material for the Action and Informational Items is included in the agenda package for the April 21, 2015 FIC and Engineering Meeting)

a. Consider approving minutes for the March 24, 2015 Engineering and Finance/Insurance Committee Meeting

b. Consider approving, ratify and confirm payment of those bills set forth in the schedule of Bills for Consideration dated April 21, 2015, and receive and file Financial Statements through March 31, 2015

c. Consider adopting Resolution No. 15-4-1 which amends the District’s Travel and Expense Reimbursement Policy Statement 1985-5 (IV)
d. Consider adopting Resolution No. 15-4-2 which amends the District’s Cash Reserve Policy Statement 1994-12 (IV)

e. Consider authorizing the General Manager to: (1) schedule a Public Hearing for June 25, 2015 for the purpose of amending the District’s Rules and Regulations to increase certain rates, fees, and charges, effective July 1, 2015, and (2) authorize the District’s General Manager and General Counsel to publish/distribute the required legal notices concerning the proposed amendments to the District’s Rules and Regulations

ENGINEERING AND FINANCE/INSURANCE COMMITTEE (FIC) GENERAL INFORMATION ITEMS TO BE RECEIVED AND FILED

f. Receive and File the Quarterly Insurance Update Report

g. El Toro Water District Capital Project Status Report

h. Engineering Items Discussed at Various Conferences and Meetings

i. Receive and File the PUN Group’s Quarterly Audit Reports of ETWD’s Financial Statements for the periods ending September 30, 2014 and December 31, 2014.

j. Water Budget Based Tiered Conservation Rate Structure/ Usage Activity and Mandatory Cutback Preparation

APPROVAL OF ITEMS REMOVED FROM TODAY’S CONSENT CALENDAR

The Board will discuss items removed from today’s Consent Calendar requiring further discussion.

**Recommended Action:** The Board will be requested to approve the items removed from today’s Consent Calendar.

DIRECTOR/COMMITTEE REPORTING

6. **Director Reports for Meetings Attended** (Oral Report)

GENERAL MANAGER ACTION ITEMS

7. **El Toro Water District Draft 2015/16 Budget** (Oral Report and/or Reference Material Distributed Under Separate Cover)

   a. The Board and Staff will review, discuss and finalize the Draft 2015/16 Budget.

   b. The Board and Staff will review and discuss the independently prepared Cost of Service Report which supports proposed increases in certain rates, fees and charges in compliance with all applicable State Constitutional and Statutory Mandates.

   c. The Board and Staff will review, discuss and finalize the Draft Proposition 218 Notice.
**Recommended Action**: The Board will consider authorizing the General Manager to:
(1) schedule a Public Hearing for June 25, 2015 for the purpose of amending the
District’s Rules and Regulations to increase certain rates, fees, and charges, effective
July 1, 2015, and (2) authorize the District’s General Manager and General Counsel to
publish/distribute the required legal notices concerning the proposed amendments to
the District’s Rules and Regulations.

8. **Water Conservation & Water Supply Shortage Ordinance 2015-1** (Reference
   Material Included)

Staff will review and comment on a proposal to confirm the Board declared Level 1
Water Supply Shortage, adjust the outdoor Drought Factor for residential and
irrigation customers and to assess a drought penalty charge to commercial,
industrial and institutional customers in response to water supply allocations by the
District’s wholesale water provider, Municipal Water District of Orange County, and
the Governor’s recent Executive Order B-29-15. Imposition of a Drought Factor
adjustment and a Drought Penalty charge will be conducted in conformance with the
Public Hearing provisions of Water Code Section 375 et.seq.

**Recommended Action**: Staff recommends that the Board of Directors authorize
the General Manager and General Counsel to publish applicable notices for a public
hearing to be conducted on May 28, 2015 to consider public comment on Staff’s
proposal to confirm the Board declared Level 1 Water Supply Shortage, adjust the
outdoor Drought Factor for residential and irrigation customers and to assess a
drought penalty charge to commercial, industrial and institutional customers in
response to water supply allocations by the District’s wholesale water provider,
Municipal Water District of Orange County, and the Governor’s recent Executive
Order B-29-15.

9. **Resolution No. 15-4-4 Amending the Appointment of Directors to Various
   Organizations and Standing Committees of the Board** (Reference Material
   Included)

Staff will review and comment on Resolution No. 15-4-4 which replaces in it’s
entirety Resolution No. 15-1-2 Appointing of Directors to Various Organizations and
Standing Committees of the Board.

**Recommended Action**: Staff recommends that the Board adopt Resolution No. 15-
4-4 which replaces Resolution No. 15-1-2 in it’s entirety.

RESOLUTION NO. 15-4-4

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
AMENDING THE APPOINTMENT OF DIRECTORS
TO VARIOUS ORGANIZATIONS AND STANDING
COMMITTEES OF THE BOARD
GENERAL MANAGER INFORMATION ITEMS

10. General Manager's Monthly Report (Report Included)

    Mr. Hill will review and comment on the General Manager's Monthly Report.

11. Legislative Reports (Reference Material Included)

    Mr. Hill will review and comment on the Legislative materials.

12. Public Education and Outreach/Water Conservation Report
    (Reference Material Included)

13. SOCWA Reports (Reference Material Included)

    a. SOCWA Board Meeting – April 2, 2015
    b. SOCWA Engineering Committee Meeting – April 9, 2015
    c. SOCWA Budget Workshop – April 17, 2015

14. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) Report
    (Reference Material Included)

    a. MWDOC/MET Directors Meeting – April 1, 2015
    b. MWDOC Planning & Operations Meeting – April 6, 2015
    c. MWDOC Administration & Finance Committee – April 8, 2015
    d. MWDOC Board of Directors Meeting – April 15, 2015
    e. MWDOC Managers Meeting – April 16, 2015

15. LOCAL AGENCY FORMATION COMMISSION (LAFCO) REPORT
    (Reference Material Included)

    a. Report on the April 8, 2015 LAFCO meeting

16. SOUTH ORANGE COUNTY WATERSHED MANAGEMENT AREA (SOCWMA)
    EXECUTIVE AND MANAGEMENT COMMITTEE REPORTS (Reference Material
    Included)

    a. Report on the April 6, 2015 SOCWMA Management Meeting

17. ISDOC Meetings (Reference Material Included)

    a. Report on the April 7, 2015 ISDOC Executive Committee Meeting

18. WACO Meetings (Reference Material Included)

    a. Report on the April 10, 2015 WACO Meeting
b. Report on the April 21, 2015 WACO Planning Committee Meeting

19. **City Coordination Efforts** (Reference Material Included)

There were no meetings.

**COMMITTEE AND GENERAL INFORMATION**

20. **Dates to Remember for April/May 2015**
(Reference Material Included)

21. **Carry-Over Pending Matters**

There are no carry-over pending matters.

**DIRECTOR COMMENTS/NON-AGENDA ITEMS**

**ATTORNEYS REPORT**

**CLOSED SESSION**

At this time the Board will go into Closed Session as follows:

1. In accordance with Government Code Section 54956.9 (a) to consult with legal counsel regarding Existing Litigation: Southern California Edison Company vs. Trautwein Construction, Inc, El Toro Water District et al - Orange County Superior Court - Case No. 30-2014-00744384-CL-PO-CJC.

2. In accordance with Government Code Section 54956.9 (a) to consult with legal counsel regarding Existing Litigation: Audrey-Jane Colson vs. El Toro Water District, Golden Rain Foundation, United Laguna Woods Mutual et al - Orange County Superior Court - Case No. 30-2014-00758076-CU-PO-CJC.

3. In accordance with Government Code Section 54956.9 (a) to consult with legal counsel regarding Existing Litigation: Peter Cuthbert vs. DayTripper Tours; City of Lake Forest, El Toro Water District-San Diego Superior Court - Case No. 37-2012-00099780-CU-PO-CTL.

**REGULAR SESSION**

**REPORT ON CLOSED SESSION** (Legal Counsel)

Mr. Granito will provide an oral report on the Closed Session.

**ADJOURNMENT**

**Recommended Board Action:** The Board will be requested to take action adjourning today’s Board meeting to Thursday, May 28, 2015 at 7:30 a.m.
at the El Toro Water District, 24251 Los Alisos Boulevard, Lake Forest, California.

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, Ca. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations

If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Polly Welsch at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Polly Welsch.