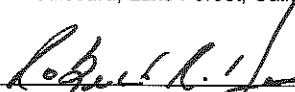


I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.


Robert R. Hill, Secretary of the
El Toro Water District and the Board of
Directors thereof

AGENDA

EL TORO WATER DISTRICT REGULAR MEETING OF THE BOARD OF DIRECTORS

ENGINEERING COMMITTEE MEETING AND FINANCE/INSURANCE COMMITTEE MEETING

**February 24, 2015
7:30 a.m.**

CALL TO ORDER – Director Vergara

PLEDGE OF ALLEGIANCE – Director Monin

ORAL COMMUNICATION/PUBLIC COMMENT

Members of the public may address the Committee at this time or they may reserve this opportunity with regard to an item on the agenda, until said item is discussed by the Committee. Comments on other items will be heard at the time set aside for “COMMENTS REGARDING 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.

ENGINEERING COMMITTEE

1. Approval of Minutes (Minutes included)

The Engineering and FIC Committee will consider approving minutes for the January 20, 2015 Engineering and Finance/Insurance Committee meeting.

Engineering/FIC Committee
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Recommended Action at the February 26, 2015 Board Meeting: Approve minutes for the January 20, 2015 Engineering and Finance/Insurance Committee meeting and place on the Engineering and Finance/Insurance Committee's approval list for the February 26, 2015 meeting of the Board of Directors.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance Committee approval list for the regular meeting of the Board of Directors.

ENGINEERING ACTION ITEMS

2. Grinder for Headworks Bypass Channel (Reference Material Included)

Staff will review and comment on the purchase and installation of a new channel grinder in the Headworks bypass channel at the Water Recycling Plant. The 2014/15 CFRRP budget allocated \$65,000 for the Headworks Bypass Channel Grinder Project.

Recommended Action at the February 26, 2015 Board Meeting:

Staff recommends that the Board of Directors authorize the General Manager to 1) issue a purchase order to JBI Water & Wastewater Equipment in the amount of \$75,584.00 for the purchase of the Franklin Miller Model DM-T25 Dimminutor Open Channel Comminutor; 2) issue a purchase order to Misco in the amount of \$9,666 for the purchase of a stainless steel slide gate; and 3) enter into a construction contract with Don Peterson Contracting, Inc. in the amount of \$5,170 for the installation of the Grinder and Slide Gate. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance approval list for the regular meeting of the Board of Directors.

3. Hydrocleaner Replacement

Staff will review and comment on the purchase of a sewer Hydrocleaner for the District's sewer collection system maintenance program. The 2014/15 CFRRP budget allocated \$250,000 for the replacement of the District's existing sewer Hydrocleaner.

Recommended Action at the February 26, 2015 Board Meeting:

Staff recommends that the Board of Directors authorize the General Manager to issue a purchase order to Plumbers Depot in the amount of \$185,605.56 for the purchase of the new Sewer Hydrocleaner. Staff further recommends that

the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance approval list for the regular meeting of the Board of Directors.

4. RW On-Site Conversions (Reference Material Included)

Staff will review and comment on a change order to the existing Trautwein Construction contract to construct on-site recycled water retrofits at thirty recycled water meters as well as a budget to purchase retrofit material to support the duration of the retrofit project. The on-site retrofits are included in the overall Recycled Water Expansion Project budget.

Recommended Action at the February 26, 2015 Board Meeting:

Staff recommends that the Board of Directors authorize the District's General Manager to 1) enter into a construction contract with Trautwein Construction in the amount of \$275,000 for construction of recycled water retrofits at identified recycled water use sites and 2) enter into various material purchase order contracts for the duration of the project to accommodate the acquisition of retrofit material, as required, with a total not to exceed budget amount of \$750,000. Staff also recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance approval list for the regular meeting of the Board of Directors.

ENGINEERING GENERAL INFORMATION ITEMS

5. El Toro Water District Capital Project Status Report (Reference Material Included)

Mr. Cafferty will review and comment on the El Toro Water District Capital Project Status Report.

6. SDRWQB Basin Plan Amendment (Reference Material Included)

Staff will review and comment on the San Diego Regional Water Quality Control Board's Basin Plan Amendment that incorporates certain provisions of the State Water Board Onsite Wastewater Treatment Systems Policy. The proposed amendments conflict with the intent of SOCWA's Salt and Nutrient Management Plan (SNMP) and unduly burden SOCWA recycled water purveyors and their

respective recycled customers with unnecessary regulation of recycled water Use Sites.

7. **Engineering Items Discussed at Various Conferences and Meetings**
(Oral Report)

The Committee will discuss any pertinent Engineering items discussed at Conferences.

COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS

CLOSE ENGINEERING COMMITTEE MEETING

FINANCE/INSURANCE COMMITTEE MEETING

TREASURER ACTION ITEMS

8. **Financial Package - Authorization to Approve Bills for Consideration dated February 24, 2015 and Receive and File Financial Statements as of January 31, 2015** (Reference Material Included)

Staff will review and comment on the Bills for Consideration dated February 24, 2015 and Financial Statements as of January 31, 2015.

Recommended Action at the February 26, 2015 Board Meeting: Staff recommends that the Board: 1) Approve, ratify and confirm payment of those bills as set forth in the schedule of Bills for Consideration dated February 24, 2015, and 2) receive and file the Financial Statements for the period ending January 31, 2015 and place on the Engineering and Finance/Insurance Committees approval list for the February 26, 2015 meeting of the Board of Directors.

Committee Recommendation: The Committee will consider placing this matter on the Engineering and Finance/Insurance Committee's recommended approval list for the regular meeting of the Board of Directors.

9. **Employee Compensation Adjustment** (Reference Material Included)

Staff will review and comment on the results of a recently completed employee compensation survey results of which indicate that certain employee salary ranges and the current weekly On-Call Stand-By compensation should be adjusted.

Recommendation Action at the February 26, 2015 Board Meeting: Staff recommends that the Board of Directors consider approving proposed adjustments to certain employee salary ranges and to the weekly On-Call Stand-By compensation effective July 1, 2015.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance approval list for the regular meeting of the Board of Directors.

10. ISDOC Membership Renewal (Reference Material Included)

Staff will review and comment on ISDOC Membership renewal of annual dues in the amount of \$200.00 for Regular Members for the 2015 calendar year. The Board will also designate an alternate voting representative who shall have the right to vote in the absence of the District's presiding officer.

Recommended Action at the February 26, 2015 Board Meeting: Authorization for the General Manager to renew ISDOC Membership in the amount of \$200.00 for calendar year 2015. The Board will also consider designating an alternate voting representative who shall have the right to vote in the absence of the District's presiding officer.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance approval list for the regular meeting of the Board of Directors.

11. Appointment of Auditing Firm (Reference Material Included)

Staff and the Audit Committee will review and comment on the qualifications and fee proposal and the appointment of The PUN Group to perform the quarterly and annual audit of the District for fiscal 2015.

Recommended Action at the February 26, 2015 Board Meeting: Authorization for the General Manager to execute the engagement letter with The PUN Group in the amount of \$27,000.00 for fiscal year 2015 quarterly and annual audit.

Committee Recommendation: The Committee will consider placing this item on the Engineering and Finance/Insurance approval list for the regular meeting of the Board of Directors.

TREASURER INFORMATION ITEMS

12. 2015/16 Budget Preparation Schedule and Status (Reference Material Included)

Staff will review and comment on the 2015/16 Budget preparation schedule and status of same.

13. Water Budget Based Tiered Conservation Rate Structure/Usage Activity and Mandatory Cutback Preparation (Reference Material Included)

a) Water Budget Based Tiered Conservation Rate Structure & Usage Activity Report

- b) Staff will provide a status report on the potential for mandatory cutbacks from MWDOC and Staff's preparation activities for same.

COMMENTS REGARDING NON-AGENDA FIC ITEMS

CLOSE FINANCE AND INSURANCE COMMITTEE MEETING

ATTORNEY 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. In conjunction with this litigation, the Board will also consult with legal counsel regarding the Claims filed by United Laguna Woods Mutual and Golden Rain Foundation of Laguna Woods for Equitable Indemnity and Equitable Contribution that pertain to this litigation.
3. In accordance with Government Code Section 54956.9 (d) (2) to consult with legal counsel on one matter of Potential Litigation.

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

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

ACTION ITEM

Claims For Consideration -

At this time the Board will consider taking action on the claims filed by United Laguna Woods Mutual and the Golden Rain Foundation of Laguna Woods on 1/29/15 and 2/13/15 (duplicate).

ADJOURNMENT TO 7:30 a.m., Tuesday, March 24, 2015.

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
Engineering/FIC Committee
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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.