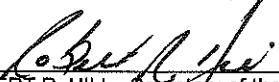


I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.

  
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**

**APRIL 21, 2015  
7:30 a.m.**

**CALL TO ORDER** – Director Vergara

**PLEDGE OF ALLEGIANCE** – Director Vergara

#### **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 March 24, 2015 Engineering and Finance/Insurance Committee meeting.

**Recommended Action at the April 23, 2015 Board Meeting:** Approve minutes for the March 24, 2015 Engineering and Finance/Insurance Committee meeting and place on the Engineering and Finance/Insurance Committee's approval list for the April 23, 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**

There are no action items.

## **ENGINEERING GENERAL INFORMATION ITEMS**

2. **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.

3. **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**

## **INSURANCE UPDATE REPORT**

4. **Quarterly Insurance Update Report** (Reference Material Included)

Staff will review and comment on the Quarterly Insurance Report for the period January 1, 2015 through March 31, 2015.

## **TREASURER ACTION ITEMS**

5. **Financial Package - Authorization to Approve Bills for Consideration dated April 21, 2015 and Receive and File Financial Statements as of March 31, 2015** (Reference Material Included)

Staff will review and comment on the Bills for Consideration dated April 21, 2015 and Financial Statements as of March 31, 2015.

**Recommended Action at the April 23, 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 April 21, 2015, and 2) receive and file the Financial Statements for the period ending March 31, 2015 and place on the Engineering and Finance/Insurance Committees approval list for the April 23, 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.

6. **Resolution No. 15-4-1 Annual Review of the District's Travel and Expense Reimbursement Policy Statement** (Reference Material Included)

Staff will review and comment on the District's Travel and Expense Reimbursement Policy Statement 1985-5 (IV).

**Recommended Action at the April 23, 2015 Board Meeting:** Staff recommends that the Board review and approve Resolution No. 15-4-1 which Resolution revises the District's Travel and Expense Reimbursement 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.

RESOLUTION NO. 15-4-1

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE EL TORO WATER DISTRICT  
AMENDING IN IT'S ENTIRETY  
POLICY STATEMENT 1994-12 (IV)  
"CASH RESERVE POLICY"

7. **Resolution No. 15-4-2 Annual Review of the District's Cash Reserve Policy Statement 1994-12 (IV)** (Reference Material Included)

Staff will review and comment on the District's Cash Reserve Policy Statement 1994-12.

**Recommended Action at the April 23, 2015 Board Meeting:** Staff recommends that the Board review and approve Resolution No. 15-4-2 which Resolution revises the District's Cash 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.

RESOLUTION NO. 15-4-2

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE EL TORO WATER DISTRICT  
AMENDING IN IT'S ENTIRETY  
POLICY STATEMENT 1985-5 (IV)  
"DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT"

8. **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 at the April 23, 2015 Board Meeting:** 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.

**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**

9. **El Toro Water District's Quarterly Reports by the Auditors** (Reference Material Included)

Staff will review and comment on the PUN Group's Quarterly Reports of ETWD's Financial Statements for the periods ending September 30, 2014 and December 31, 2014.

10. **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.
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 TO 7:30 a.m., Tuesday, May 26, 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 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.*