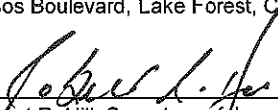


I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



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**

**PLAN ADMINISTRATOR MEETING
AND**

**ENGINEERING COMMITTEE MEETING
AND**

FINANCE/INSURANCE COMMITTEE MEETING

August 25, 2015

7:30 a.m.

CALL TO ORDER – Chairman Vergara

PLEDGE OF ALLEGIANCE – Director Adjarian

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.)

1. **Approval of Minutes**

The Engineering and FIC Committee will consider approving minutes for the July 21, 2015 Engineering and Finance/Insurance Committee meeting.

Recommended Action at the August 27, 2015 Board Meeting: Approve minutes for the July 21, 2015 Engineering and Finance/Insurance Committee meeting and place on the Engineering and Finance/Insurance Committee's approval list for the August 27, 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.

PLAN ADMINISTRATOR MEETING

At this time Director Vergara will call the meeting of the Plan Administrator of the El Toro Water District's 401(k) Retirement Savings Plan and Trust Agreement to order.

2. **Quarterly Review of Pension Plan Performance** (Reference Material Included)

A representative from HighMark will review and comment on the investment performance of the District's 401(k) Retirement Plan.

CLOSE PLAN ADMINISTRATOR MEETING

REGULAR SESSION

ENGINEERING COMMITTEE

CALL MEETING TO ORDER

ENGINEERING ACTION ITEMS

3. **Moulton Niguel Water District Recycled Water Master Plan** (Reference Material Included)

Staff will review and comment on the engineering design proposal submitted by AKM to the Moulton Niguel Water District for the MNWD Recycled Water Master Plan. The AKM scope of work includes several tasks involving the evaluation of potential arrangements for exchanges of recycled water between MNWD and ETWD to facilitate deliveries of recycled water to ETWD customers on the east side of the I-5 freeway. The ETWD share of the costs associated with these scope items is \$53,508. The 2015/16 budget for the District's participation in the MNWD Recycled Water Master Plan is \$50,000.

Recommended Action at the August 27, 2015 Board Meeting:

Staff recommends that the Board of Directors authorize the District's General Manager to provide notification to the Moulton Niguel Water District of the District's agreement to fund certain tasks associated with the MNWD Recycled Water Master Plan in the amount of \$53,508. 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 matter on the Engineering and Finance/Insurance Committee recommended approval list for the regular meeting of the Board of Directors.

ENGINEERING GENERAL INFORMATION ITEMS

**4. 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.

5. 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

CALL MEETING TO ORDER

TREASURER ACTION ITEMS

6. Quarterly Audit (Reference Material Included)

Staff will review and comment on the quarterly audit for the period April 1, 2015 through June 30, 2015 of the District's financials presented by the PUN Group.

Recommended Action at the August 27, 2015 Board Meeting: Staff recommends that the Board receive and file the quarterly audit report for the period April 1, 2015 through June 30, 2015 presented by the PUN Group.

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.

7. **Financial Package - Authorization to Approve Bills for Consideration dated August 25, 2015 and Receive and File Financial Statements as of July 31, 2015** (Reference Material Included)

Staff will review and comment on the Bills for Consideration dated August 25, 2015 and Receive and File Financial Statements as of July 31, 2015.

Recommended Action at the August 27, 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 August 25, 2015, and 2) receive and file the Financial Statements for the period ending July 31, 2015 and place on the Engineering and Finance/Insurance Committees approval list for the August 27, 2015 meeting of the Board of Directors.

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

8. **Capital Facility Fee Reserve Reconciliation in Accordance with SB1760 (Government Code Section 66013)** (Reference Material Included)

Staff will review and comment on the 2014/15 fiscal year reconciliation of the District's restricted Capital Facility Fee Reserve. In accordance with SB1760 (Government Code Section 66013), the District is obligated to reconcile financial information regarding the nature, balances, collections, earnings and expenditures of funds in the Capital Facilities Fee Reserve. As such, a reconciliation report of the 2014/15 fiscal year has been prepared.

Recommended Action at the August 27, 2015 Board Meeting: Staff recommends that the Board of Directors receive and file the 2014/15 fiscal year Capital Facility Fee Reserve reconciliation report.

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

TREASURER INFORMATION ITEMS

9. **State Emergency Drought Regulations/Monthly Reporting/Customer Outreach & Water Usage/Sales** (Reference Material Included)

Staff will review and comment on the State Emergency Drought Regulations/ Monthly Reporting/Customer Outreach activities and effectiveness & Water Usage/Sales.

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: 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.
2. 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.

OPEN/REGULAR SESSION

REPORT ON CLOSED SESSION (General Counsel)

Mr. Granito will provide an oral report on today's Closed Session.

ADJOURNMENT TO 7:30 a.m., Tuesday, September 22, 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.