AGENDA

EL TORO WATER DISTRICT
REGULAR MEETING OF THE
BOARD OF DIRECTORS
AND
PLAN ADMINISTRATOR MEETING
AND
PUBLIC FACILITIES CORPORATION MEETING

December 17, 2015
7:30 a.m.

CALL MEETING TO ORDER – President Goldman

PLEDGE OF ALLEGIANCE – Director Monin

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.)

PRESENTATION OF AWARDS, RECOGNITIONS AND INTRODUCTIONS

a. Service Awards

   No acknowledgement this month.
b. Continuing Education & Training, Degree and Certification Program acknowledgement

No acknowledgement this month.

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

No acknowledgement this month.

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)

1. Approval of Minutes (Minutes Included)

Approve minutes of the November 24, 2015 Board of Directors meeting.

2. Attendance at Conferences and Meetings

There were no requests.

APPROVAL OF ITEMS RECOMMENDED FOR APPROVAL BY THE ENGINEERING, FINANCE/INSURANCE (FIC) AND PLAN ADMINISTRATOR COMMITTEES: (Reference Material for the Action and Informational Items is included in the agenda package for the December 15, 2015 Engineering/FIC Committee Meeting)

a. Consider approving the minutes for the November 23, 2015 Engineering and Finance/Insurance meeting

b. Consider approving, ratify and confirm payment of those bills set forth in the schedule of bills for consideration dated November 23, 2015 and receive and file financial statements through October 31, 2015

c. Consider receiving and filing the PUN Group’s Quarterly Report by the Auditors of ETWD’s Financial Statements for the first quarter of the 2015/16 fiscal year

d. Consider adopting Resolution No. 15-12-1 establishing the El Toro Water District Board of Directors’ Regular Meetings, place and time for calendar year 2016

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

e. El Toro Water District Capital Project Status Report

f. Engineering Items Discussed at Various Conferences and Meetings

g. Receive and File the Tiered Water Usage and Revenue Tracking
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.

GENERAL MANAGER ACTION ITEMS

3. **5 Lagunas Project Water Supply Assessment** (Reference Material Included)

   Staff and Consultant will review and comment on a Water Supply Assessment (WSA) prepared by Arcadis U.S. Inc. in response to a request for same from the City of Laguna Hills. Acting as the Lead Agency, the City of Laguna Hills is reviewing an Addendum to the City’s General Plan Environmental Impact Report (EIR) for the 5 Lagunas Project and, has determined, that the project scope requires a WSA be prepared by the District in conformance with applicable sections of the Water Code.

   Recommended Action: Staff recommends that the Board approve and accept the WSA and authorize the 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.

DIRECTOR/COMMITTEE REPORTING

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

   PLAN ADMINISTRATOR MEETING

   At this time President Goldman 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.

5. **Amendment to the District’s 401(k) Matching Contribution** (Reference Material Included)

   Staff will review and comment on the previously discussed proposal to amend the District’s matching contribution provision within the District’s 401(k) Retirement Savings Plan.

   Recommended Action: Staff recommends that the Board of Directors authorize amending the Matching Contribution provision of the District’s 401(k) Retirement Savings Plan Document to allow a matching contribution amount equal to 75% of each Plan Participant’s Elective Deferral up to a maximum Elective Deferral of 10% of the Plan Participant’s annual compensation effective January 1, 2016.
CLOSE PLAN ADMINISTRATOR MEETING

REGULAR SESSION

GENERAL MANAGER INFORMATION ITEMS

6. **General Manager’s Monthly Report** (Report Included)
   Staff will review and comment on the General Manager’s Monthly Report.

7. **State Emergency Drought Regulations** (Reference Material Included)
   Staff will review and comment on mandated monthly reporting and the cumulative actual water production reduction compared to the State’s imposed 24% reduction for the period 6/1/15 – 2/28/16.

8. **Legislative Reports**
   No reports this month.

9. **Public Education and Outreach/Water Conservation Report** (Reference Materials Included)

10. **SOCWA Reports** (Reference Material Included)
    a. SOCWA Finance Meeting – December 1, 2015 - Canceled
    b. SOCWA Engineering Committee Meeting – December 10, 2015
    c. SOCWA Cost Allocation Workshop – December 15, 2015

11. **Municipal Water District Of Orange County (MWDOC) Report** (Reference Material Included)
    a. MWDOC Administration & Finance Committee – December 9, 2015
    b. MWDOC Planning & Operations Committee – December 14, 2015
    c. MWDOC Board of Directors Meeting – December 16, 2015

12. **Local Agency Formation Commission (LAFCO) Report**

13. **South Orange County Watershed Management Area (SOCWMA) Management and/or Executive Committee Report**

14. **ISDOC Executive Committee** (Reference Material Included)
   a. Report on the December 8, 2015 ISDOC Executive Committee meeting

15. **WACO Meetings** (Reference Material Included)

16. **City Coordination Efforts**

   No meeting this month.

**COMMITTEE AND GENERAL INFORMATION**

17. **Schedule of Appearances Laguna Woods Village TV-6 for Calendar Year 2016** (Reference Material Included)

18. **Dates to Remember for December 2015/January 2016** (Reference Material Included)

19. **Carry-Over Pending Matters**

   There are no carry over matters.

**DIRECTOR COMMENTS/NON-AGENDA ITEMS**

**EL TORO WATER DISTRICT (ETWD) PUBLIC FACILITIES “CORPORATION” (PFC) MEETING**

At this time President Goldman will call for a meeting of the El Toro Water District Public Facilities Corporation.

The nonprofit Public Facilities Corporation was formed May 27, 1993 for the purpose of providing financial assistance to the El Toro Water District for issuing Certificates of Participation (COP’s).

- See attached agenda.

**CLOSE PUBLIC FACILITIES CORPORATION (PFC) MEETING**

December 17, 2015
ETWD Board Agenda
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: Peter Cuthbert vs. DayTripper Tours; City of Lake Forest, El Toro Water District-San Diego Superior Court - Case No. 37-2012-00098780-CU-PO-CTL.

2. To conduct the General Manager’s annual performance evaluation pursuant to Government Code Section 54957 (b) (1).

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

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

20. GENERAL MANAGER COMPENSATION

Board Action: The District’s Board of Directors will discuss and consider granting the District’s General Manager a compensation increase in the amount and form as determined by the Board.

ADJOURNMENT

Recommended Board Action: The Board will be requested to take action adjourning today’s Board meeting to Thursday, January 28, 2016 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 at 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.
AGENDA
EL TORO WATER DISTRICT
PUBLIC FACILITIES CORPORATION
ANNUAL MEETING OF THE BOARD OF DIRECTORS
DECEMBER 17, 2015

A. CALL MEETING TO ORDER- President Goldman

B. PLEDGE OF ALLEGIANCE

C. AGENDA POSTING CERTIFICATION

D. ROLL CALL

E. 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. The public will identify themselves when called on and limit their comments to three minutes.

F. BOARD COMMENTS

G. BUSINESS ITEMS
   1. Appointment of Officers
   2. Approve the Board minutes from the Annual meeting of December 16, 2014.
   3. Request for dissolution of Public Facilities Corporation.

H. ADJOURNMENT
MEMORANDUM

TO: BOARD OF DIRECTORS OF THE EL TORO WATER DISTRICT
    PUBLIC FACILITIES CORPORATION

FROM: BOB HILL, GENERAL MANAGER, EL TORO WATER DISTRICT

RE: DISSOLUTION OF THE PUBLIC FACILITIES CORPORATION

DATE: DECEMBER 17, 2015

Purpose and Recommended Action

This is a request for the Board of Directors ("Board") of the El Toro Water District Facilities Corporation ("Corporation") to authorize Robert Hill and/or his designees to dissolve the Corporation.

Background Summary

In May of 1993, the Corporation was formed as a nonprofit public benefit corporation authorized under the California Tax Code to render assistance to the El Toro Water District ("District") by acquiring and constructing various public facilities, including, but not limited to, the acquisition of land and related facilities for the use, benefit and enjoyment of the public ("Improvements"). In connection with the acquisition and construction of the Improvements the Corporation and the District caused the issuance of certain debt instruments ("Debt Instruments"). All of the Improvements contemplated at the time of the formation of the Corporation have been constructed and all Debt Instruments have been paid in full.

Neither the District nor the Corporation anticipates the issuance of further debt instruments in the near term. Therefore, the existence of the Corporation is no longer needed.

Recommendation

Staff recommends that the Board direct the President and Secretary of the Corporation to cause the dissolution of the Corporation in accordance with the Resolution attached to this Board Memorandum.
RESOLUTION OF THE BOARD OF DIRECTORS OF
EL TORO WATER DISTRICT PUBLIC FACILITIES CORPORATION
AUTHORIZING THE DISSOLUTION OF THE EL TORO WATER DISTRICT PUBLIC FACILITIES CORPORATION

WHEREAS, the El Toro Water District Public Facilities Corporation, a California nonprofit public benefit corporation ("Corporation") was formed in 1993 to render assistance to the El Toro Water District ("District") by acquiring and constructing various public facilities, including, but not limited to the acquisition of land and related facilities for the use, benefit and enjoyment of the public ("Improvements"); and

WHEREAS, the District determined that it was beneficial to the public to design and construct certain Improvements; and

WHEREAS, in order to finance the Improvements, the Corporation and the District deemed it necessary and desirable for the Corporation and District to issue certain debt instruments ("Debt Instruments"); and

WHEREAS, the Improvements contemplated at the formation of the Corporation have been constructed and the Debt Instruments issued in connection with the design and construction of such Improvements have been paid in full; and

WHEREAS, the Corporation has been advised by the District that the District does not foresee a need to request that the Corporation aid the District in the design and construction of additional Improvements, including the issuance of further Debt Instruments, and that as a result, the Corporation has fulfilled its mission of rendering aid to the District and should be dissolved upon satisfaction of the conditions set forth herein.

NOW, THEREFORE, the Board of Directors ("Board") of the El Toro Water District Public Facilities Corporation DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. Each of the above recitals is true and correct, as is each of the findings and determinations set forth therein, and each of said recitals, findings and determinations is adopted by the Board.

SECTION 2. It is hereby determined that the dissolution of the Corporation is in the best interests of the Corporation. Pursuant to the foregoing, the Board of this Corporation hereby orders that this Corporation be dissolved and wound up.

SECTION 3. The President and Secretary of this Corporation are authorized and directed to sign and verify such certificates in the form required by law, evidencing the election to wind up and dissolve this Corporation, including, but not limited to, a Certificate of Dissolution under and in conformity with the provisions of the California Corporations Code, and to cause such Certificate of Dissolution to be filed in the Office of the California Secretary of State. If required,
such Board members as shall be required by law shall execute a certificate of dissolution and Certificate to the California Attorney General. The President and/or Secretary of this Corporation are authorized and directed to cause such certificates to be filed in the Office of the California Secretary of State.

SECTION 4. All known debts and liabilities of the Corporation have been satisfied. The Corporation has no known assets.

SECTION 5. The President and/or Secretary of this Corporation are authorized to do such acts and to take such steps as may be necessary or convenient to carry these resolutions into effect, including the execution of any additional instrument or document as may be necessary to complete the dissolution and winding up of the Corporation’s affairs.

SECTION 6. After the Corporation has been dissolved Robert Hill is authorized to act on behalf of the Corporation in any and all matters that may arise after the Corporation has been fully dissolved and liquidated.

ADOPTED, SIGNED AND APPROVED this 17th day of December, 2015

M. Scott Goldman, President
of the Board of Directors
of El Toro Water District
Public Facilities Corporation

Attest:

Robert R. Hill, Secretary
of the Board of Directors
of El Toro Water District
Public Facilities Corporation
Domestic Nonprofit Corporation
Certificate of Dissolution

There is no fee for filing a Certificate of Dissolution.
Important: Read instructions before completing this form.

1. Corporate Name — Enter the name of the domestic nonprofit corporation exactly as it is of record with the California Secretary of State.

EL TORO WATER DISTRICT PUBLIC FACILITIES CORPORATION

2. Required Statements — The following statements are required by statute and should not be altered.

All final returns required under the California Revenue and Taxation Code have been or will be filed with the California Franchise Tax Board. The corporation has been completely wound up and is dissolved.

3. Debts and Liabilities — Check the applicable statement. Note: Only one box may be checked.

☐ The corporation’s known debts and liabilities have been actually paid.
☐ The corporation’s known debts and liabilities have been paid as far as its assets permitted.
☐ The corporation’s known debts and liabilities have been adequately provided for by their assumption and the name and address of the assurer is ________________________________.
☐ The corporation’s known debts and liabilities have been adequately provided for as far as its assets permitted.
(Specify in an attachment to this certificate [incorporated herein by this reference] the provision made and the address of the corporation, person or governmental agency that has assumed or guaranteed the payment, or the name and address of the depository with which deposit has been made or other information necessary to enable creditors or others to whom payment is to be made to appear and claim payment.)
☐ The corporation never incurred any known debts or liabilities.

4. Assets — Mutual Benefit or Consumer Cooperative Corporations ONLY: Check the applicable statement. Note: Only one box may be checked. If the corporation is a public benefit or religious corporation, leave item 4 blank and attach to this Certificate of Dissolution a letter from the California Attorney General’s office waiving objections to the distribution of the corporation’s assets pursuant to California Corporations Code section 6718(c) or confirming the corporation has no assets (see instructions).

☐ The known assets have been distributed to the persons entitled thereto.
☐ The corporation never acquired any known assets.

5. Election — Check the “YES” or “NO” box as applicable. Note: If the “NO” box is checked, a Certificate of Election to Wind Up and Dissolve pursuant to California Corporations Code section 1901, 8611, 8611, 9680 or 12931 must be filed prior to or together with this Certificate of Dissolution.

The election to dissolve was made by the vote of all the members of the corporation or the corporation has no members and the election was made by the vote of all the directors of the corporation.

☐ YES  ☐ NO

6. Verification and Execution — If additional signature space is necessary, the dated signature(s) with verification(s) may be made on an attachment to this certificate. Any attachments to this certificate are incorporated herein by this reference.

The undersigned constitute(s) the sole director or a majority of the directors now in office. I declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of my own knowledge.

Date

Signature of Director

M. Scott Goldman
Type or Print Name of Director

Signature of Director

William K. Kahn
Type or Print Name of Director

Signature of Director

Jose Vergara
Type or Print Name of Director

APPROVED BY SECRETARY OF STATE
ENTITY NAME: EL TORO WATER DISTRICT PUBLIC FACILITIES CORPORATION
Signature Page for Certificate of Dissolution

The undersigned constitute(s) the sole director of a majority of the directors now in office. I declare under penalty to perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of my own knowledge.

Dated: ____________________

__________________________  Frederick J. Adjarian
(Signature of Director)        (Type or Print Name of Director)

Dated: ____________________

__________________________  Mark Monin
(Signature of Director)        (Type or Print Name of Director)
CERTIFICATE TO THE CALIFORNIA ATTORNEY GENERAL

The Board of Directors of El Toro Water District Public Facilities Corporation, California Corporation No. C1858524, has voluntarily elected to wind-up and dissolve the said corporation. Pursuant to Corporations Code Section 6615(b)(2), they hereby seek a written confirmation from the California Attorney General that the corporation has no assets.

Under penalty of perjury, the Board of Directors of the said dissolving corporation hereby declares the following:

1. The dissolving corporation’s annual gross revenue never exceeded $1.00;
2. The dissolving corporation’s assets were used according to the purpose(s) for which they were received;
3. The dissolving corporation did not enter into self-dealing transactions as defined in Corporation’s Code Section 5233;
4. The dissolving corporation did not make any corporate loans to a director, officer, trustee, employee or volunteer;
5. The dissolving corporation’s substantial assets were not sold or transferred; and
6. The dissolving corporation has no assets.

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<tr>
<th>Name of Directors</th>
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<td>M. Scott Goldman</td>
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PLEASE DO NOT ALTER STATEMENTS OR FORMAT OF CERTIFICATE