

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 MEETING

**March 22, 2018
7:30 a.m.**

CALL MEETING TO ORDER – President Goldman

PLEDGE OF ALLEGIANCE – President Goldman

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

The Board will recognize Ralph Palomares for his 2017 Santa Ana River Basin Section (SARBS) Spotlight Award for outstanding professional accomplishments as a long standing SARBS member and ETWD representative.

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)

Consider approving minutes of the February 8, 2018 CAG meeting, the minutes of the February 12, 2018 Special Board meeting, and the minutes of the February 22, 2018 Board meeting.

2. **Attendance at Conferences and Meetings**

Consider approving Directors Goldman, Kahn, Vergara, Adjarian, and Monin to attend the CASA & WaterReuse Public Policy Forum on April 11, 2018 in Sacramento, CA.

3. **Annual Review of the District's Travel and Expense Reimbursement Policy Statement 1985-5 (IV)** (Reference Material Included)

Staff recommends no amendments to the District's Travel and Expense Reimbursement Policy Statement 1985-5 (IV).

4. **Annual Review of the District's Cash Reserve Policy Statement 1994-12 (IV)** (Reference Material Included)

Staff recommends no amendments to the District's Cash Reserve Policy 1994-12 (IV).

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

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

GENERAL MANAGER ACTION ITEMS

6. **HighMark Authorization to Enter Into Advisory Service Agreement/Advisory Services Agreement Management Fee Addendum** (Reference Material Included)

Staff will review and comment on the necessity to update and execute the 1) Authorization to Enter into Advisory Services Agreement, and 2) Advisory Services Agreement Investment Management Fee Addendum between ETWD and HighMark.

Recommended Action: Staff recommends that the Board of Directors 1) authorize President Scott Goldman, Treasurer Mark Monin, Secretary Robert Hill, and Assistant Secretary Dennis Cafferty to execute the Authorization to Enter into Advisory Services Agreement between ETWD and HighMark and 2) authorize President Scott Goldman and Secretary Robert Hill to execute the Advisory Services Agreement Investment Management Fee Addendum between ETWD and HighMark inclusive of any changes reviewed and approved by the Board at today's meeting.

7. **Resolution No. 18-3-1 Annual Review of the District's Identity Theft Prevention Program Policy Statement 2008-23 (IV)** (Reference Material Included)

Staff will review and comment on adopting Resolution No. 18-3-1 which amends the District's Identity Theft Prevention Program Policy Statement 2008-23 (IV).

Recommended Action: Staff recommends that the Board adopt Resolution No. 18-3-1 which amends the District's Identify Theft Prevention Program Policy Statement 2008-23 (IV).

RESOLUTION NO. 18-3-1
OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
AMENDING THE DISTRICT'S
IDENTITY THEFT PREVENTION PROGRAM
POLICY STATEMENT 2008-23 (IV)

8. **Resolution No. 18-3-2 Amending the District's Budget Policy 1994-11 (IV)** (Reference Material Included)

Staff will review and comment on adopting Resolution No. 18-3-2 which amends the District's Budget Policy 1994-11 (IV).

Recommended Action: Staff recommends that the Board adopt Resolution No. 18-3-2 which amends the District's Budget Policy 1994-11 (IV).

RESOLUTION NO. 18-3-2
OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
AMENDING THE DISTRICT'S
BUDGET POLICY 1994-11 (IV)

9. **Resolution No. 18-3-3 Amending the Director Compensation Policy Statement 1993-10 (IV)** (Reference Material Included)

Staff will review and comment on Resolution No. 18-3-3 which amends the Director Compensation Policy Statement 1993-10 (IV).

Recommended Action: Staff recommends that the Board adopt Resolution No. 18-3-3 which amends the Director Compensation Policy Statement 1993-10 (IV).

RESOLUTION NO. 18-3-3
OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
AMENDING THE DISTRICT'S
DIRECTOR COMPENSATION POLICY
1993-10 (IV)

10. **Employee Handbook Updates** (Reference Material Included)

Staff will review and comment on updates to the Employee Handbook in accordance with new laws/regulations and as approved by the District's Labor Counsel.

Recommended Action: Staff recommends that the Board of Directors approve the Employee Handbook updates as presented and approved by the District's Labor Counsel.

11. **ACWA SB 623 "Oppose Unless Amended" Fund Raising Effort** (Reference Material Included)

Staff will review and comment on a request from ACWA for "Oppose unless Amended" Coalition Members to contribute to a fund raising effort

to secure an outside public affairs firm to help develop a more strategic external affairs campaign and assist coalition building outside of the water industry. Additionally, ACWA intends to fund an advertising campaign focused on key legislative districts. Based upon ETWD's Operating Budget, ACWA is recommending that ETWD as a Coalition Member contribute \$10,000. Any public funds collected will only be used for expenses related to direct lobbying of legislators and educational components.

Recommended Action: Staff recommends that the Board of Directors consider contributing \$10,000 to the ACWA "Oppose unless Amended" Strategic External Affairs Campaign effort.

12. OC LAFCO Regular SD Member and Alternate SD Member Election
(Reference Material included)

Staff will review and comment on the upcoming OC LAFCO Special District election process. Regular Member John Withers and Alternate Member James Fidler seats are up. The "Declaration of Qualification to Vote Form" designating the voting member and alternate voting member of each ISDOC member agency and the "Nomination Form" for submitting candidate names for the Regular or Alternate Seat appointment must be returned to OC LAFCO no later than 3PM on Monday, April 9, 2018. Voting ballots will be emailed April 17, 2018 and executed ballots are due back to OC LAFCO by 3PM on May 25, 2018.

Recommended Action: Staff recommends that the Board of Directors consider 1) designating President Goldman as the District's primary voting representative and Director Adjarian as the District's alternate voting representative and 2) nominating an ETWD director as a candidate for either the Regular or Alternate Seat. Staff further recommends that the Board of Directors authorize the District's Secretary to execute and transmit the "Declaration of Qualification to Vote Form" and the "Nomination Form" to OC LAFCO on or before April 9, 2018.

13. California Asset Management Trust (CAMP) Notice of Solicitation of Written Consent of Trustees & Approval of Amendments to Authorized Investments (Reference Material Included)

Staff will review and comment on the Notice of Solicitation of Written Consent of appointed Trustees and Approval of Amendments to Authorized Investments Policy. To be effective, the Consent must be received by the Trust no later than April 23, 2018.

Recommended Action: Staff is recommending that the Board of Directors consider 1) Consenting to all seven individuals appointed to

serve as Trustees for the ensuing year and 2) approving amendments to authorized investments policy.

GENERAL MANAGER INFORMATION ITEMS

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

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

15. State Drought Regulations – Monthly Report (Reference Material Included)

Staff will review and comment on reporting of monthly and cumulative water production compared to actual water production in 2013.

16. Legislative Reports (Reference Materials Included)

Staff and General Counsel will review and comment on the Legislative reports.

17. Public Education and Outreach & Water Conservation Reports (Reference Material Included)

18. SOCWA Reports (Reference Material Included)

- a. SOCWA Board Meeting – March 1, 2018
- b. SOCWA Finance Committee Meeting – March 7, 2018
- c. SOCWA Engineering Committee Meeting – March 8, 2018

19. Municipal Water District Of Orange County (MWDOC) Report (Reference Material Included)

- a. MWDOC Planning/Operations Committee – March 5, 2018
- b. MWDOC/MET Directors Workshop – March 7, 2018
- c. MWDOC Administration & Finance Committee – March 14, 2018
- d. MWDOC Public Affairs & Legislation Committee – March 19, 2018
- e. MWDOC Board Meeting – March 21, 2018
- f. MWDOC Managers Meeting – March 22, 2018

20. Local Agency Formation Commission (LAFCO) Report

- a. Report on the March 14, 2018 LAFCO meeting

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

- a. Report on the March 5, 2018 Management Committee meeting

22. **ISDOC Meetings** (Reference Material Included)

- a. Report on the March 6, 2018 ISDOC Executive Committee Meeting

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

- a. Report on the March 2, 2018 WACO Meeting
b. Report on the March 20, 2018 WACO Planning Committee meeting

24. **City Coordination Efforts**

Report on the Lake Forest Utility Meeting of February 28, 2018.

COMMITTEE AND GENERAL INFORMATION

25. **Dates to Remember for March/April 2018** (Reference Material Included)

26. **Carry-Over Pending Matters** (Reference Material Included)

DIRECTOR COMMENTS/NON-AGENDA ITEMS

ATTORNEY REPORT

CLOSED SESSION

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

1. In accordance with Government Code Section 54956.96 in order to receive, discuss, and/or take action concerning information obtained by the District's representative pertaining to a closed session of the South Orange County Wastewater Authority ("SOCWA"), a joint powers agency.

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

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

ADJOURNMENT

Recommended Action: The Board will be requested to take action adjourning today's Board meeting to **Thursday, April 26, 2018 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.