

MINUTES OF THE SPECIAL MEETING  
OF THE  
BOARD OF DIRECTORS  
OF THE  
EL TORO WATER DISTRICT  
February 18, 2020

President Monin called the meeting of the Board of Directors of the ELTORO WATER DISTRICT to order at 7:30 o'clock a.m. on February 18, 2020 at the El Toro Water District Administrative Offices, 24251 Los Alisos Boulevard, Lake Forest, California.

Director Freshley led in the Pledge of Allegiance to the flag.

Present at today's meeting were Committee Members MARK MONIN, MIKE GASKINS, JOSE F. VERGARA, KATHRYN FRESHLEY, and KAY HAVENS.

Also present were DENNIS P. CAFFERTY, General Manager/Secretary, JUDY CIMORELL, Human Resources Manager, NEELY SHAHBAKHTI, Finance Manager/Controller, GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, and ED MEANS, MEANS Consulting.

Oral Communications - Public Comments

President Monin stated that at this time members of the public may address the Board or they may reserve this opportunity with regards to an item on the agenda, until the Board discusses said item later in today's meeting.

There were no comments.

### Items Received Too Late To Be Agendized

President Monin asked if there are any items received too late to be agendized. Mr. Cafferty replied no.

### 2019 Strategic Plan Update

Mr. Cafferty stated that the draft 2019 Strategic Plan was previously sent to the Board members.

Mr. Means stated that we will be reviewing the editorials and contents of the draft Strategic Plan. He further stated that a final document will be presented to the Board once the comments are incorporated.

Mr. Means stated that the Board reviewed the District's Mission and Values, and he held meetings with staff on the District's weaknesses, strengths, and threats.

Director Freshley commented that there are several places throughout the document where duplicate statements are made. She further stated that the points on the President's letter could be removed and some language deleted.

Mr. Means stated that the introductory page lists 6 Goals, and on the Strategic Plan Process we have explained the structure of the Plan. He further stated that Figure 2 on page 6 has been modified.

Mr. Granito suggested that on page 5 The Strategic Plan Process, in the fifth line the word "threats" could be changed to "challenges".

Mr. Means stated that on ETWD's Vision and Mission page, it captures the essence of the Board's discussion. Director Havens stated that the format needs to be cleaned up, along with perhaps a color block background or font similarity.

President Monin stated that on the ETWD Vision and Mission page, the picture of the R-6 Reservoir should be replaced with something else.

President Monin stated that on the Goals on the Introduction page, he would like to remove the Goals "a -f" and replace them with numbers Goals "1-6". Mr. Means stated that the reason for the "a-f" is so there is not a sequence of importance as would be associated with a "1-6" numbering.

Mr. Cafferty stated that on page 10 the 200 acre feet number of base flow water supply should be eliminated. Director Vergara agreed that it should reflect quantification and not a number that may not be achievable.

Mr. Means moved on to Strategy A.3 Advanced Demand Management and achieve State mandated water use efficiency targets.

Director Freshley stated that she would suggest reviewing the entire document and replacing all acronyms with the words spelled out. The Board agreed.

Director Freshley suggested in A.4.1 "Implement the Capital Improvement Program" integrate it into the Strategic Statement A.4 "Build necessary infrastructure to maintain water, sewer, and recycled water service", rather than a separate item.

President Monin asked if we will be sharing our Strategic Plan at a future CAG meeting. Mr. Cafferty replied that the final Strategic Plan could be a future CAG topic.

Mr. Means stated that the Board identified three Key Performance Indicators. These are CIP expenditures against planned, progress to develop and implement an Asset Management Program, and are we seeing undue overflows on the wastewater side or levels of violation.

Mr. Means stated that Goal B, Water Quality and Environmental Compliance ensures that ETWD meets or surpasses all water quality and environmental requirements. He further stated that we included 100% compliance for safe drinking water, lab support, and performance indicators. Director Freshley stated that she feels we should measure performance relative to budget.

Mr. Means stated that Goal C is Finance, prudently and transparently managing for long-term stability and affordability. He further stated that the Finance Goals are improving Financial Risk Management, and ensuring adequate financial passage exists. Director Freshley stated that she would question KPI #4 she would like to take "Value of Receivables" out because she doesn't understand the value in measuring them.

Director Havens stated that in the title is "Transparently Manage", but none of the Strategies or Key Performance Indicators talk about terms for transparency. Mr. Means replied that there is in the Stakeholder Goal later in the presentation, where most of the Transparency related elements are.

President Monin stated that Environmental, Social, and Governance (ESG) and Carbon are coming into all corporations, so perhaps we should add these to a section of our Strategic Plan. Mr. Means suggested adding the language to the Operations part of the Plan, of the President's statement.

Mr. Granito suggested that on page 13, Goal B.1.2 "Continue to optimize 401(k) Investments", the word "optimize" should be replaced with "monitor". The Board concurred.

Mr. Means stated that Goal D is Organizational Effectiveness, which maintains a high-quality workforce and systems to foster excellence. He further stated that training programs, administrative systems, technology and applications, open and professional work environment, safe and secure work environment, operations that are efficient and effective, and implementing the Strategic Plan.

Director Havens suggested separating Strategy C.1, Implement Training Programs into two items, such as 1) training programs and 2) succession planning.

Director Vergara stated that he would like to see all of the acronyms spelled out, such as SCADA, SOP, etc. Mr. Means will go through the document and make these changes.

Director Freshley asked why we would track staff training hours. Mr. Means replied that most companies offer some hours of staff training. Ms. Cimorell will check into how we track staff training hours.

Mr. Means stated that Goal E, Relationships are to communicate and collaborate with customers, stakeholders, neighbors, and peer agencies in the region to further the water and wastewater interests of our community.

Director Freshley suggested including any awards we get into the Strategic Plan, such as the Transparency Certification, District of Distinction, etc.

Mr. Means stated that Goal F, Operations provides safe, cost-effective and reliable operations while protecting the environment. He further stated that we have implemented improved planning tools, operate and maintain facilities, plan and prepare for emergencies, and manage natural resource use.

Mr. Means stated that he included a Glossary page. President Monin suggested adding the acronyms to the Glossary page where needed.

President Monin stated that he would like to see the word "improvement" in the Strategic Plan.

Director Vergara thanked Mr. Means for working with the Board members in preparing our Strategic Plan.

Vice President Gaskins stated that he was impressed the way Mr. Means compiled the Strategic Plan.

President Monin stated that he found the Plan very helpful and incorporated a lot of different ideas and thoughts.

Director Havens stated that she was impressed at the amount of things that are easily overlooked, and an annual review of the Strategic Plan could assist in keeping the District on track.

Director Freshley stated that she is very familiar with Strategic Planning and was very comfortable participating and sharing strengths and weaknesses of the organization.

Ms. Welsch provided a staff viewpoint and also thanked Mr. Means for including the staff's input in a comfortable environment.

Ms. Shahbakhti stated that she enjoyed the Management sessions.

### Break

At approximately 9:18 a.m. the Board took a short recess.

### Regular Session

At approximately 9:27 a.m. Regular session resumed.

### Board Meeting Procedures

Mr. Cafferty provided a power point presentation which is a summary of a ACWA presentation. He further stated that the presentation incorporated components of Roberts Rules of Order which we may want to incorporate into our meetings, or the Board may want to create a policy for our Board to follow.

Mr. Cafferty stated that the topics included meeting discussion, points of order, appeals, authority and role of the chair and members of the staff, and inappropriate remarks.

Mr. Cafferty noted that the ACWA presentation identified a procedure in which Board members address the Chair of the meeting requesting to speak, at which point the Chair acknowledges the Board member wishing to speak, and allowing each Board member to speak if desired.

Mr. Cafferty stated that the ACWA presentation identified that there should be no side bar conversations during the Board meetings, and no inappropriate remarks of any kind.

Director Freshley stated that our Board is very professional and respectful toward each other, and therefore doesn't feel the need for a policy. The remaining Board members concurred that there is no need for a Board policy.

Director Havens suggested that the Board members could be a little more formal during the meetings.

President Monin stated that the Chair will read the paragraph regarding public comments aloud in each meeting from the agenda.

Director Vergara stated that the Chair should determine how long a person may speak, especially if there is a small audience where we could be more flexible.

#### Comments Regarding Non-Agenda Items

There were no comments.

#### Attorney Report

There was no report.

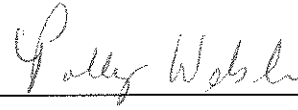
#### Adjournment

There being no further business to come before the Board, the following motion was duly made and passed.

Motion: Vice President Gaskins moved, seconded by Director Freshley and unanimously carried that today's meeting be hereby adjourned at 10:05 a.m.



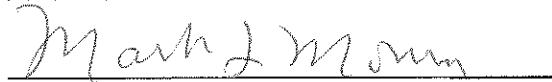
Respectfully submitted,



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POLLY WELSCH  
Recording Secretary

APPROVED:



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MARK L. MONIN, President of  
the El Toro Water District and the  
Board of Directors thereof



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DENNIS P. CAFFERTY, Secretary  
of the El Toro Water District and  
the Board of Directors thereof