

MINUTES OF THE SPECIAL MEETING  
OF THE  
BOARD OF DIRECTORS  
OF THE  
EL TORO WATER DISTRICT  
November 9, 2020

President Monin called the meeting of the Board of Directors of the El Toro Water District to order via Zoom at 7:30 o'clock a.m. on November 9, 2020 at the El Toro Water District Administrative Offices, 24251 Los Alisos Boulevard, Lake Forest, California.

President Monin 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, JASON HAYDEN, CFO, GILBERT J. GRANITO, General Counsel, and POLLY WELSCH, Recording Secretary, and ROBERT HOPKINS.

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.

Mr. Cafferty stated that this meeting is being recorded.

### 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.

### Resolution No. 20-11-1 Commemorating the Retirement of MWDOC Director

#### Joan Finnegan

Mr. Cafferty stated that MWDOC will be recognizing Director Joan Finnegan at their November Board meeting, and several member agencies will be presenting her with Resolutions.

President Monin asked for a Motion.

Motion: President Monin made a Motion, seconded by Vice President Gaskins and unanimously carried across the Board to adopt Resolution No. 20-11-1 which commemorates Joan Finnegan's decades of faithful service as a director of the Municipal Water District of Orange County and the Coastal Municipal Water District.

#### Roll Call Vote

Director Havens	aye
Director Freshley	aye
Director Vergara	aye
Vice President Gaskins	aye
President Monin	aye

### 2020 Strategic Plan Update

Mr. Cafferty stated that staff worked with Ed Means to create a tracking system monitoring tools to report back to the Board on the status and progress on a lot of issues. He further stated that we will need to prioritize some of the projects.

Director Havens stated that these are evolving documents of which things will change in the future, such as Irvine's digester pelletizer coming on line and it will be a big regional change. She further suggested bringing before the Board what they see in these segments for further discussion.

Mr. Cafferty stated that one of the goals is about relationships, with one of the strategies and objectives to continue to engage with other local agencies statewide.

President Monin stated that one issue is ISDOC's consideration of sending a letter to MWD regarding the selection of a new General Manager and what our Board feels about the appropriateness of such a letter.

Director Freshley stated that she feels ISDOC is not the appropriate agency to draft a letter because several of their members are not water districts, so perhaps the South County Agencies group should do so.

Director Vergara stated that MET is representing all of Southern California by elected or appointed politicians. He further stated that they have a lot of environmental people that have nothing to do with water except stopping the Delta project, and these are the people that MWDOC is listening to.

President Monin asked for a Motion.

Motion: Director Freshley made a Motion, seconded by Director Havens and unanimously carried across the Board to approve and adopt the 2020 Strategic Plan.

### Roll Call Vote

Director Havens	aye
Director Freshley	aye
Director Vergara	aye
Vice President Gaskins	aye
President Monin	aye

### Water Supply Reliability Projects

Mr. Cafferty stated that staff is looking for direction from the Board on existing projects and their priorities. He further stated that all of our Diemer water comes through the Allen-McCullough Pipeline (AMP) which is roughly 30 miles long and terminates at the R-6 Reservoir.

Mr. Cafferty further stated that the District owns 5 cubic feet per second of capacity, or about 11% of the Baker Water Treatment Plant.

Mr. Cafferty stated that the Baker water is delivered through an interconnection with MNWD, which is adjacent to a turnout that MNWD has on the AMP.

Mr. Cafferty stated that we are working on getting to 60-days of uninterrupted water supply if we lose the MET supply. He further stated that we would have the Baker Plant producing a little over 600 acre feet along with 374 acre feet in the R-6 Reservoir, so we would have 974 acre feet.

Mr. Cafferty stated that under winter conditions our total demand for 60 days is 788 acre feet and we can make a 60-day supply interruption without asking anyone to conserve water with our current investments. He stated that the average conditions overall total for the year, we are 155 acre feet short of meeting a 60-day supply interruption.

Mr. Cafferty stated that summer gets more challenging where we are 521 acre feet short of our summer demands for the 60-day period. He further stated that 40% conservation cutback would be required for single family residential, 30% multi-family, and 60% on irrigation.



Mr. Cafferty stated that we are considering a 90-day supply where the numbers would get more challenging.

### Projects

#### JTM Pump Station (Joint Transmission Main)

Mr. Cafferty stated that Baker and the AMP run alongside each other and there is risk if something happens it could affect both of them. He further stated that we would only have the R-6 Reservoir to rely on until the pipelines were fixed.

Mr. Cafferty stated that the East Orange County Feeder #2 (EOCF#2) brings water from Diemer through the other side of the system and feeds the Joint Transmission Main which then goes down into South County. He further stated that we have an existing connection to the Joint Transmission Main on Moulton Parkway, a water meter that we own 2 cubic feet per second of capacity which is equivalent to 240 acre feet over 60-days and 362 acre feet over 90-days.

Mr. Cafferty stated that we would need to make modifications to be able to use the water. He further stated that every year we pay a share of the O&M costs, and capital costs on the JTM because we own this capacity.

Mr. Cafferty stated that we don't use this water because hydraulically it doesn't have enough pressure to get it into our system, so we would need to correct the hydraulic system to make daily use of that capacity.

Mr. Cafferty stated that we will also experience periods of maintenance such as the Allen McCullough pipeline being out of service in March for a whole month or longer and then there are additional pipeline improvements planned.

Mr. Cafferty stated that when we take the R-6 Reservoir out of service to replace the floating cover, the contingency plan in place for storage would be benefited by getting water from the East Orange County Feeder #2.

Mr. Cafferty stated that as we have converted a large number of meters on the western side of our system to recycled water, it means there is that much less water flowing through the distribution system. He further stated that we have seen water quality impacts in terms of maintaining chlorine residuals,

nitrification, on a weekly basis where we didn't need to do any mainline flushing, but we do now.

Mr. Cafferty stated that we don't own capacity in the East Orange County Feeder #2, and would need to build a small pump station in order to solve the hydraulic lift issue and get the water into our system. He further stated that the anticipated cost would be approximately \$1.5 million, with additional maintenance costs of approximately \$40,000 to \$100,000 a year.

President Monin asked if staff has a matrix comparing one project to another with costs. Mr. Cafferty replied no, there would be a lot of assumptions in preparing a project matrix of priorities, but staff will work on putting something together.

Director Havens asked that when we are factoring in the amount of water used, are we including the water that might be used in fire suppression as part of our emergency supply. Mr. Cafferty replied that the focus of this analysis has not included fire safety, but the overall analysis of our distribution system has included it, and staff will review during the Master Plan update.

#### Baker Water & South County Pipeline

Mr. Cafferty stated that we don't have a connection in the South County Pipeline, so currently we have an interconnection with MNWD where their AMP connection comes off adjacent to the R-6 Reservoir transmission pipelines. He further stated that MNWD is taking water from the AMP and putting it into our system.

Mr. Cafferty stated that if the AMP was out of service, MNWD would have to deliver water from their current South County pipeline connection which is well to the South, and MNWD is proposing to install a turnout on the South County pipeline to supplement their ability to get water for their system, which ETWD could directly take water from the South County pipeline with our own meter and use MNWD's facility to deliver it back up to our pipeline.

Mr. Cafferty stated that one of MNWD's challenges is identifying a piece of property where they can build a turnout. He further stated that SMWD has expressed an interest in this project.

Mr. Cafferty stated that the updated cost of this project is anticipated to be \$10 million, with our share being 25% or less.

#### Desal Projects

Mr. Cafferty stated that there are two projects; Doheny's South Coast project, and Poseidon's Huntington Beach project. He further stated that cost and conveyance are issues.

Mr. Cafferty stated that costs could run from \$1700 acre foot to \$2100 acre feet. He further stated that there are people and organizations opposed to the desal projects.

#### Recycled Water

Mr. Cafferty stated that staff is reviewing Phase III of a Recycled Water Expansion System. He further stated that we have capacity in our system to produce additional recycled water.

Mr. Cafferty stated that there can be issues about how much influent we have at the Plant, and how much recycled demand during the max day conditions during the summer when we have had to put potable water into the system. He further stated that costs are also an issue.

Mr. Cafferty stated that this is a \$5 million project.

#### Water Banks

Mr. Cafferty stated that Cadiz (SMWD) and Strand Ranch (IRWD) are emergency supply only and will require wheeling and reservation charges.

#### San Juan (SMWD) Project

Mr. Cafferty stated that this is a 3-phase project with Phase 1 using some rubber dams to allow more water to soak into the San Juan basin and is in construction now. He further stated that there are potential opportunities there in the mid \$1500 per acre foot cost.

Mr. Cafferty stated that this project would have base load challenges and how to get the water from the South County pipeline.



### Irvine Lake Project

Mr. Cafferty stated that this project is currently on hold due to Capital Projects going on at the lake. He further stated that the challenge was the cost of storing water in the lake and on-going evaporation costs.

### OC Groundwater Basin (OCWD and MNWD)

Mr. Cafferty stated that this project is not a sure thing. He further stated that it is a conveyance system from the East Orange County Feeder #2.

Mr. Cafferty stated that all groundwater producers opposed this project. He further stated that the water would have to be paid for up front which is unclear at this point.

### Funding

Mr. Cafferty stated that there is significant capital investment required here which could be \$1.5 million for a JTM pump station, \$2.5 million for a South County Pipeline, in addition to other Capital Projects we have coming up as well.

Mr. Cafferty stated that the R-6 Reservoir cover is coming up at a cost of nearly \$5 million, and the Filtration Demo/Reuse Site of approximately \$2.6 million.

### Break

At approximately 9:15 a.m. the Board took a short break.

### Regular Session

At approximately 9:25 a.m. the Board returned to Regular Session.

### Funding Projects

Mr. Cafferty stated that staff has discussed some of the Capital Project needs and how to fund them. He further stated that the top 4 projects are the R-6 Reservoir, the South County Pipeline Turnout, the Filtration Plant Site, and the potential JTM Pump Station, which add up to nearly \$10 million.

Mr. Cafferty stated that staff is reviewing opportunities we may have for funding these projects.



Mr. Hayden stated that we will be exploring grants, low-interest State loans, bank loans, and bonds. He further stated a bank profile will be created and shared with the Board.

President Monin suggested looking at WIFIA loans with low interest rates.

#### Next Steps

Mr. Cafferty stated that before building a JTM Pump Station we would need a design analysis and study.

President Monin stated that he feels the R-6 Reservoir project is immediate, and the tear down of the Filtration Plant, but feels we should hold off on the JTM Pump Station until the costs are included. Mr. Cafferty stated that the South County Pipeline project is not immediate at this time. He further stated that the Filtration Plant demo is also not an immediate decision, and could be factored into next year's budget.

Vice President Gaskins stated that he feels the R-6 Reservoir is immediate, along with the Filtration Plant demo, and he is interested in hearing more about bonds.

Director Havens stated that she agrees with the immediate projects, and asked what the status is on getting cameras at our sites. Mr. Cafferty replied that staff is working on evaluating the use cameras at our sites.

Director Vergara agreed with the R-6 project, with revamping WEROC's EOC, and the JTM Pump Station as we should be using the capacity that we are paying for.

Mr. Cafferty stated that anticipated costs for the JTM project at \$1.5 million and a 3% interest rate on a 20-year term would equal \$100,000 annual costs. The 2 cfs is equivalent to almost 1500 acre feet that would amount to \$70 per acre foot just for the Capital costs. He further stated that there are O&M costs of the Pump Station, and maintenance of the East Orange County Feeder #2 which could add another \$75-\$100 per acre foot, so worst case another \$175 per acre foot.

Director Freshley stated that we should further evaluate the ability to use the existing JTM capacity. Mr. Cafferty stated that the existing capacity has not

worked in our system but staff will provide further operational details at a future meeting.

Mr. Cafferty stated that we need to consider participation in the East Orange County Feeder #2 and the cost impact. He further stated that staff will work on getting proposals and report back to the Board.

Director Havens asked what is the probability of all 3 major pipelines going down at the same time. Mr. Cafferty replied that the Baker pipeline, the Allen McCullough pipeline, and the East Orange County Feeder #2 have different geographic connections and the locations lessen the possibility of all 3 going out at the same time, we would rely on the R-6 Reservoir and lock-off the biggest irrigation users in a dire event.

Mr. Cafferty stated that staff will prepare internal operational analysis for the JTM Pump Station and seek proposals to do engineering level analysis to see if this project is something to be further pursued. He further stated that the South County Pipeline project has nothing for us to do at this point and time until MNWD has advanced to a point where they need a go or no-go decision.

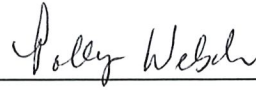
Mr. Cafferty stated that we are in the process of seeking proposals for the R-6 Reservoir project and the JTM Pump Station, and we will continue to encourage MWDOC and WEROC about participation in the Filtration Plant project. Mr. Cafferty stated that staff will continue pursuing funding opportunities available to the District for the approximately \$10 million projects.

Mr. Cafferty stated that staff's understanding of the direction from the Board is to address the operational questions associated with the current connection to the JTM, solicit proposals for an engineering analysis of the JTM Pump Station and continue to evaluate funding opportunities. Mr. Cafferty further stated that the Board had not directed staff to actively pursue any other regional projects at this time but rather continue to monitor the status of other regional projects.

#### Adjournment

There being no further business to come before the Board, the meeting was adjourned at 10:15 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



