

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
EL TORO WATER DISTRICT
January 27, 2022

President Freshley called the meeting of the Board of Directors of the ELTORO WATER DISTRICT to order at 7:30 a.m. on January 27, 2022.

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

Committee Members KATHRYN FRESHLEY, KAY HAVENS, MIKE GASKINS, JOSE VERGARA, and MARK MONIN participated.

Also present were DENNIS P. CAFFERTY, General Manager, JUDY CIMORELL, Human Resources Manager, SCOTT HOPKINS, Operations Superintendent, JASON HAYDEN, CFO, HANNAH FORD, Engineering Manager, CHAU VUONG, Laboratory Supervisor, GARTH BOTHA, Pump Stations Crew Chief, CESAR CASSANI, Wastewater Operator II, GILBERT J. GRANITO, General Counsel, MICHAEL COLANTUONO, Legal Counsel (joined the meeting at 8:20 a.m. via zoom), and CAROL MOORE, Laguna Woods Mayor (via zoom).

POLLY WELSCH, Recording Secretary was absent.

Oral Communications/Public Comments

There were no comments.

Items Received Too Late to be Agendized

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

Presentation of Awards, Recognitions, Certifications, and Introductions

Mr. Cafferty presented service awards to Chau Vuong, Laboratory Supervisor for 20 years of service with the District, and Garth Botha Pump Stations Crew Chief, for 10 years of service with the District.

Mr. Cafferty presented a recognition for Cesar Cassani, Wastewater Operator II, for obtaining his Grade 3 Wastewater Operator certification from the State Water Resources Control Board.

At approximately 7:50 a.m. Mr. Vuong, Mr. Botha, and Mr. Cassani left the meeting.

Consent Calendar

Mr. Cafferty stated that item #c of the Consent calendar is a first amendment to the Agreement for Acquisition of Real Property for a lot line adjustment at the Oso Lift Station between the District and the City of Laguna Woods.

President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Vice President Havens and unanimously carried across the Board to approve the Consent Calendar.

Roll Call Vote:

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

Director Reports for Meetings Attended

Director Vergara stated that he attended the Districts regular meetings, the Special Board meeting, the MWDOC/MET Directors workshop, the WACO Planning Committee meeting, the MWDOC Admin/Finance Committee meeting, the South Orange County Agencies meeting, the Lake Forest 30th anniversary meeting, and the South Orange County Economic Coalition meeting.

Director Monin stated that he will be attending the ISDOC quarterly luncheon today. He also attended OCCOG, the ISDOC Executive Committee meeting, the MWDOC/MET Directors workshop, the WACO meeting, the MWDOC Admin/Finance Committee meeting, the WACO Planning Committee meeting, the Laguna Woods City Council meeting, and the District's regular meetings and Special Board meeting.

Director Gaskins stated that he attended the District's regular meetings and Special Board meeting, the MWDOC/MET Directors workshop, the MWDOC Board meeting, the South Orange County Agencies meeting, the ISDOC Quarterly meeting, and he will be attending the South Orange County Economic Coalition and TV-6 this month.

Vice President Havens stated that she attended the District's regular meetings and Special Board meeting, the ISDOC Executive Committee meeting,

the MWDOC/MET Directors workshop, the WACO meeting, the Pres/VP/GM meetings, the MWDOC Admin/Finance Committee meeting, the Agenda Review meeting, the MWDOC Board meeting, the OCWA meeting, and she will be on the South Orange County Watershed Management meeting later today, and the South Orange County Economic Coalition meeting.

President Freshley stated that she attended the WACO meeting, the MWDOC Board meeting, the MWDOC/MET Directors workshop, the MWDOC Planning/Operations meeting, the District's regular meetings and Special Board meeting, the Pres/VP/GM meetings, the Agenda Review meeting, the Laguna Woods City Council meeting, the LAFCO meeting, the ACWA Engineering Committee meeting, and she will be attending the ISDOC meeting today.

General Manager Action Items

Resolution No. 22-1-4 Modifying Standing and External Organization Board and Staff Assignments for Calendar Year 2022

President Freshley stated that she reviewed the draft Committee Assignments with all of the Directors, and stated that there is one change to the draft list. She noted the assignments presented for approval moves the City of Lake Forest Chamber of Commerce events to the list of events that all Board Members are authorized to attend.

President Freshley asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Director Monin and unanimously carried across the Board to approve Resolution No. 22-4-1

modifying Standing and External Organization Board and Staff Assignments for calendar year 2022.

Roll Call Vote:

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

Resolution No. 22-1-5 Adopting a Tenth Amended Conflict of Interest Code

Mr. Cafferty stated that staff had a change in position as noted in Exhibit A to Resolution No. 22-1-5. He further noted that it is in the District's best interest to have the Code updated now.

President Freshley asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Vice President Havens and unanimously carried across the Board to approve Resolution No. 22-1-5 adopting a 10th amended Conflict of Interest Code.

Roll Call Vote:

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

General Manager Information Items

COVID-19 Update

Mr. Cafferty provided an update on the COVID-19 pandemic. He further stated that there was a period where we had approximately 25% of our staff

out of the office. He further noted that most cases were mild symptoms and most of the staff are back to work.

General Manager's Monthly Report

Mr. Cafferty stated that the District expects to receive a \$53,591 check from the State Water Resources Control Board arrearages program for delinquent water system balances. He further stated that in the arrearages program the State had a budget of \$981 million and they focused on water first and would then determine whether or not to proceed with the wastewater program.

Mr. Cafferty stated that the State Department of Water Resources approved proceeding with the wastewater portion of the arrearages program, so we will be submitting an application of this portion as well. He further stated that the arrearages rebates will be applied to our delinquent customer accounts.

Vice President Havens asked about the December unauthorized discharge due to construction debris in the lines, and asked if we file a police report during those instances. Mr. Hopkins replied that staff files a report with the County and the Regional Water Board keeps track of the incidents.

Mr. Cafferty stated that anytime there is an unauthorized discharge the District is required to report it as a sewer spill.

Mr. Cafferty stated that at the end of GM report there are a couple awards from ACWA/JPIA for the District's performance relative to loss rates on the Liability Program and Property Program. He further stated that there was

a significantly lower cost on the premiums due to these lower loss rates.

Mr. Cafferty stated that staff has continued to work with MET on the reconciliation of the Local Resources Program (LRP) rebate. He further stated that MET is open to making some modifications to the agreement. Mr. Cafferty concluded that we submitted a revised reconciliation to reduce the amount of the repayment to MET and hope to resolve this matter and eliminate it in the future.

Mr. Cafferty stated that next month's Finance package will include a budget schedule. He further stated that we may delay the implementation of the rate increase by a month or two to provide the District time to effectively accomplish all of the items we are working on and still allow us to bring a full budget to the Board for review and approval prior to June 30.

Director Vergara asked if the District had delayed a rate increase in the past by a month or two. Mr. Cafferty replied yes in 2020 due to the pandemic, and other times for particular reasons.

Attorney Report

Mr. Granito reported that the Board will go into Closed Session with regard to item #1 of today's Closed Session agenda, during which Michael Colantuono, Special Counsel will participate.

Closed Session

At approximately 8:20 a.m. the Board went into Closed Session. Also at this time, Ms. Cimorell, Mr. Hopkins, Mr. Hayden, Ms. Ford, and Ms. Moore left the open session.

Open Session/Report

At approximately 8:37 a.m. the Board returned to Regular Session. Also, at this time, Ms. Moore, Ms. Cimorell, Ms. Ford, and Mr. Hopkins returned to the open session and Mr. Colantuono left the meeting.

Mr. Granito reported that the Board did go into Closed Session with regard to item #1 of today's Closed Session agenda, the Kessner litigation, during which Special Counsel Michael Colantuono led a discussion on the status of the matter. No reportable action was taken.

Legislative Reports

There were no comments.

Public Education and Outreach & Water Use Efficiency Reports

President Freshley stated that she received a letter from Ms. Moore requesting that the District participate with the City in an Earthworks roundtable discussion on water.

Ms. Moore stated that Dr. Gunson will speak during Earth week on methane, and she would like people to understand how water issues are different per District but similar in other ways. She further stated that a panel on zoom could work well with neighboring agencies to discuss their backgrounds in water.

SOCWA Reports

Mr. Cafferty stated that SOCWA awarded a contract to Tetra Tech for CEQA related to the Effluent Transmission Main Trail Bridge Crossing project, where the pipeline that crosses the creek has become exposed.

MWDOC Reports

Vice President Havens stated that it will be good to get the MWDOC division boundaries issue resolved.

Mr. Cafferty stated that MWDOC is starting their budget process and their Reserves will be part of the discussion.

LAFCO

President Freshley stated that they re-elected Officers Doug Davert as Chair and Don Wagner as Vice Chair.

ISDOC

Director Monin discussed potential speakers at the next meeting.

WACO

Director Monin stated that he requested more local issues be discussed during the WACO meetings and asked if any Director has any local issues that they feel are important and need discussion to let him know.

Director Vergara feels that we should allow City Council members to discuss what current issues are going on in their areas.

Vice President Havens stated that we could discuss the Shakeout event with WEROC presenting how agencies would coordinate during an emergency.

COMMITTEE AND GENERAL INFORMATION

President Freshley stated that at the ACWA Engineering Committee meeting they discussed agencies electrifying their vehicles and if there was available funding for this. She further stated that there are funds available from the State but receipt of the money would require new vehicles bought after

2025 be electric. However, funding is not yet available.

Mr. Cafferty stated that SCAP and CASA are beginning to get into more detailed engagement regarding these issues of fleet electrification and what it means to agencies and have asked for \$5,000 for small agencies and \$25,000 for large agencies to commit to the program.

Dates to Remember for January/February

There were no comments.


COMMENTS REGARDING NON-AGENDA ITEMS

Director Monin asked for a moment of remembrance on behalf of Director Bill Nelson of ISDOC who recently passed away.

Adjournment


There being no further business to come before the Board, the meeting was adjourned at 10:40 a.m.

Respectfully submitted,




POLLY WELSCH
Recording Secretary

APPROVED:



KATHRYN FRESHLEY, President of
the El Toro Water District and the
Board of Directors thereof



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