

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
EL TORO WATER DISTRICT
May 25, 2023

President Havens called the meeting of the Board of Directors of the ELTORO WATER DISTRICT to order at 7:30 a.m.

President Havens led in the Pledge of Allegiance to the flag.

Directors KAY HAVENS, MIKE GASKINS, MARK MONIN, KATHRYN FRESHLEY, and JOSE VERGARA (Zoom) participated.

Also present were DENNIS P. CAFFERTY, General Manager, SCOTT HOPKINS, Operations Superintendent, JUDY CIMORELL, Human Resources Manager, HANNAH FORD, Engineering Manager, SHERRI SEITZ, Public Affairs Manager, VU CHU, Water Use Efficiency Analyst, MIKE MIAZGA, IT Manager (Zoom), VICKI TANIOUS (Zoom), Employee, RAY LLADA, Employee, MARISOL MELENDEZ, Employee, GILBERT J. GRANITO, General Counsel, KEITH STRIBLING, HIGHMARK Representative, CATHY GREEN, ACWA (Zoom), CAROL MOORE, Laguna Woods City Council member (Zoom), and POLLY WELSCH, Recording Secretary.

JASON HAYDEN, CFO was absent.

Determination of a Quorum

Roll Call:

Director Monin	aye
Director Gaskins	aye
Director Freshley	aye
Vice President Vergara	aye (Zoom)
President Havens	aye

All five Board members are present for the meeting, therefore a quorum was determined.

Oral Communications/Public Comments

There were no comments.

Items Received Too Late to be Agendized

President Havens 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 recognized and congratulated Raymond Llada, Maintenance Worker II for 5 years of service with the District.

Mr. Cafferty recognized and congratulated Marisol Melendez, Customer Service Office Representative I for 5 years of service with the District.

Mr. Cafferty suggested taking Item #6 of today's agenda out of order so that Cathy Green could speak on this agenda item.

Resolution No. 23-5-1 in Support of the Nomination of Cathy Green as a Candidate
for the Position of Association of California Water Agencies President

Ms. Green introduced herself and stated that she is a candidate for the position of President of the Association of California Water Agencies (ACWA). She further stated that she has been the Vice President of ACWA since 2021, and continued to provide her background and experience.

President Havens asked for a Motion.

Motion: Director Gaskins made a Motion, seconded by Director Monin and unanimously carried across the Board to adopt Resolution No. 23-5-1 which supports Cathy Green as a candidate for the position of Association of California Water Agencies President.

Roll Call Vote:

Director Monin	aye
Director Gaskins	aye
Director Freshley	aye
Vice President Vergara	aye (Zoom)
President Havens	aye

At approximately 7:54 a.m. Ms. Green left the meeting.

Consent Calendar

President Havens asked for a Motion.

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

Roll Call Vote:

Director Monin	aye
Director Gaskins	aye
Director Freshley	aye

Vice President Vergara aye (Zoom)
President Havens aye

Quarterly Review of the District's 401(k) Retirement Savings Plan

Mr. Cafferty stated that the copy of the report handed out at today's meeting is different than the previously emailed copy. He further stated that the previously emailed report was for the previous quarter and not the current quarter.

Mr. Stribling stated that it was a good quarter for all accounts which were up from 3.5% to 6.5%.

Mr. Stribling stated that the portfolio is on the conservative side but at the end of the year he upped the allocation because with Empower switching funds out is not an overnight process. He further stated that we are favoring value over growth.

Mr. Stribling stated that in terms of economic outlook, inflation is still a dominating factor in capital markets. He further stated that inflation has hit the housing market since interest rates have risen.

Mr. Stribling stated that three things are slowing down our economy; budget negotiations over raising the debt limit by reducing spending, banks are pulling back on lending, and the feds keeping rates high. He further stated that a recession is possibly coming.

At approximately 8:25 a.m. Mr. Stribling left the meeting.

Director Reports for Meetings Attended

Director Freshley stated that she attended the ACWA/JPIA conference, the ACWA Energy Committee meeting, the MWDOC Planning/Operations meeting, the MWDOC/MET Directors workshop, the MWDOC Board meeting, the RRC meetings, the

SOCWA Board meetings, the SOCWA Finance Committee meeting, the CAG meeting, the Laguna Woods City Council meeting, the WACO meeting, and the regular Board meetings.

Director Gaskins stated that he attended the MWDOC Planning/Operations meeting, the RRC meetings, the Special Board Budget workshop, the SOCWA Board meeting, the WACO meeting, the ACWA conference, the MWDOC Admin/Finance meeting, the MWDOC Board meeting, the SOCWA Board meeting, and the regular Board meetings.

Vice President Vergara stated that he attended the MWDOC Planning/Operations meeting, the Lake Forest City Council meeting, the MWDOC/MET Directors workshop, the Special Board Budget workshop, the WACO meeting, the MWDOC Admin/Finance meeting, the Agenda Review meeting, the WACO Planning meeting, the MWDOC Board meeting, and the regular Board meetings.

Director Monin stated that he attended the Laguna Woods City Council meeting, the WACO meeting, the CAG meeting, the WACO Planning meeting, the Special Board Budget workshop, the ISDOC Executive Committee meeting, the MWDOC/MET Directors workshop, the MWDOC Board meeting, the ACWA conference, the MWDOC Admin/Finance meeting, and a Colorado MET trip that went to Weymouth, Whitewater, the Imperial Valley Water Districts aqueduct, the pump stations at Parker Dam, and the Hoover Dam. He also attended the regular Board meetings.

President Havens stated that she attended the MWDOC Planning/Operations meeting, the MWDOC/MET Directors workshop, the CAG meeting, the ACWA conference, the MWDOC Admin/Finance meeting, the MWDOC Board meeting, the

South Orange County Watershed Management meeting, the Special Board Budget workshop, the Third Landscape meeting, the UCI Natural Resources Landscape meeting, and the regular Board meetings.

General Manager Action Items

Resolution No. 23-5-2 Rescinding the District's Level 2 Water Shortage

Mr. Cafferty stated that due to the wet winter storms the Department of Water Resources has increased the State Water Project allocation to 100%, so there is no need for the District to maintain the declaration of a water shortage. He further stated that the permanent conservation measures remain in place.

President Havens asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director Gaskins and unanimously carried across the Board to adopt Resolution No. 23-5-2 which rescinds the District's declaration of a Level 2 Water Shortage.

Roll Call Vote:

Director Monin	aye
Director Gaskins	aye
Director Freshley	aye
Vice President Vergara	aye (Zoom)
President Havens	aye

General Manager Information Items

Strategic Plan Status Report

Mr. Cafferty stated that the red text in the report identifies what has been updated or is new.

Director Freshley asked on page 17 of the report, how many hours has been devoted to staff training in the last 6 months. Mr. Cafferty replied that District operators spend between 40 and 100 hours per year on training of required and recommended safety and operations training.

General Manager's Monthly Report

Director Freshley asked on the Total Recycled Water chart, why was so much potable water used. Mr. Cafferty replied that due to the recent weather the WRP experienced very low demand for recycled water so the filters were shut off for one evening. Mr. Cafferty further noted that demand spiked on that evening requiring the addition of potable water to supplement the recycled water production.

Mr. Cafferty stated that on the Customer Service report there were 150 hangers and last year shows zero due to no shut offs during the pandemic.

Director Freshley asked on the Battery report what caused the interruption in demand. Mr. Cafferty replied that the Plant was shutdown during the Breaker installation thus causing the gap in the report.

Legislative Reports

Ms. Seitz stated that we are watching AB 1638 which would require every local agency in an emergency with a population of 10% or more primarily speaking a language other than English, the agency would need to provide the emergency message in those other languages as well.

Ms. Seitz stated that AB 1572 would prohibit watering non-functioning turf with potable water of 5,000 square feet irrigated area and would have to be certified with the State Water Board.

Public Education and Outreach Report

Ms. Seitz stated that staff is working on a construction update to be mailed to customers around the Reservoir.

Ms. Seitz stated that staff is working on updating the design content of the Prop 218 Notice. She further stated that the District will hold 2 community meetings in person and zoom on July 12 at 5:30 pm and July 19 at 7:00 pm in the Field Office.

Ms. Seitz stated that staff is preparing an RFP to update the District's website.

Ms. Seitz stated that staff had a meeting at the Adopt a Channel to discuss clean up with the Orange County Conservation Corp and County of Orange. She further stated that the County is working on creating signage for the Channel and will inform staff when they will be installed.

Ms. Seitz stated that staff attended the Concerned Citizens of Laguna Woods Earth Day meeting where Mr. Cafferty provided an update on water supply in California. She further stated that staff attended a booth at the City of Mission Viejo's Earth Day/Arbor Day at the Oso Creek Train north of Jeronimo Road.

Ms. Seitz stated that the Scout Clinic tours of the Plant are scheduled for December 9th and November 4th.

Ms. Seitz stated that Mr. Cafferty participated in the Special District's Roundtable with the office of Assemblywoman Diane Dixon on May 9th.

Ms. Seitz stated that we entered the District's newsletter in 3 awards, and the last one was the National PRSA which is Public Relations Society of America Anvil Awards. She further stated that we were chosen as a finalist and have either won first place or first runner up.

Water Use Efficiency Report

Mr. Chu stated that this past month our recycled water use went down substantially.

SOCWA Reports

Director Freshley stated that there were 2 facilitated discussion meetings this month regarding the future of SOCWA. She handed out a list of issues that were key to ETWD that were discussed at those meetings.

Mr. Cafferty stated that he has attended staff meetings characterized as 3-agency meetings of staff from SCWD, SMWD, and MNWD. He further stated that MNWD is interested in operating the Regional Plant, and SMWD will be expressing their interests regarding the JB Latham Plant at the next meeting.

Mr. Cafferty stated that SOCWA is approaching the approval of their budget.

MWDOC Reports

There were no comments.

LAFCO

Director Freshley stated that she did not attend the meeting due to the ACWA conference. She further stated that they elected Bruce Whitaker from Fullerton as the City Member.

ISDOC

Director Monin stated that they discussed a website update, the June luncheon date change, and a SDLF Chapter donation request.

WACO

Director Monin stated that next discussions could include AI in Water, and PFAS.

COMMITTEE AND GENERAL INFORMATION

Dates to Remember for May/June 2023

There were no comments.

Comments Regarding Non-Agenda Items

There were no comments.

Recess

At approximately 9:40 a.m. the Board took a short recess.

Attorney Report

Mr. Granito reported that there is a need for a Closed Session with regard to both items of today's Closed Session agenda.

Regular Session

At approximately 9:45 a.m. the Board returned to Regular Session.

Closed Session

At approximately 9:45 a.m. the Board went into Closed Session with regard to both items on the Closed Session agenda. Also at this time, everyone left the meeting except the Board members, the General Manager, and General Counsel.

Open Session Report

At approximately 10:03 a.m. Regular Session resumed. Also at this time Ms. Welsch returned to the meeting.

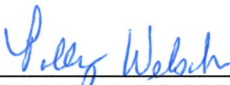
Mr. Granito reported that the Board did go into Closed Session with regard to both items of today's Closed Session agenda, and during the first phase of the Closed Session the District's General Counsel, General Manager, staff and the Board participated in a discussion on Item #1 (potential litigation). No reportable action was taken.

Mr. Granito reported that during the second phase of the Closed Session, the General Manager and General Counsel reported on Item #2 Dollar Tree litigation. No reportable action was taken.

Adjournment


There being no further business to come before the Board, the meeting was adjourned at 10:05 a.m.

Respectfully submitted,




POLLY WELSCH
Recording Secretary

APPROVED:



KAY HAVENS, 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

