

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
EL TORO WATER DISTRICT
July 27, 2023

President Havens called the meeting of the Board of Directors of the ELTORO WATER DISTRICT to order at 7:00 p.m.

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

Directors KAY HAVENS, MIKE GASKINS, MARK MONIN, and KATHRYN FRESHLEY participated.

Vice President JOSE VERGARA was absent.

Also present were DENNIS P. CAFFERTY, General Manager, HANNAH FORD, Engineering Manager, VISHAV SHARMA, CFO, VU CHU, Water Use Efficiency Analyst, MIKE MIAZGA, IT Manager (Zoom), GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, ROGER YANG, Customer (Zoom), and JANA YOUNG, Customer (Zoom).

Determination of a Quorum

Roll Call:

| | |
|------------------------|--------|
| Director Monin | aye |
| Director Gaskins | aye |
| Director Freshley | aye |
| Vice President Vergara | absent |
| President Havens | aye |

Four Board members were 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.

Consent Calendar

President Havens asked for a Motion.

Motion: Director Monin made a Motion, seconded by Director Gaskins to approve the Consent Calendar.

Roll Call Vote:

| | |
|------------------------|--------|
| Director Monin | aye |
| Director Gaskins | aye |
| Director Freshley | aye |
| Vice President Vergara | absent |
| President Havens | aye |

Increases to Certain Water, Sewer and Recycled Water Service Rates and Charges

Mr. Cafferty stated that the District is proposing increases to certain water, sewer, and recycled water service rates and charges. He further stated that customers were notified 45 days prior to the increase date by way of a Proposition 218 Notice.

Mr. Cafferty stated that the District also held two Community meetings on June 12th and June 19th for the public to attend.

Mr. Granito reported that the purpose of today's Public Hearing is to determine if there is sufficient written protests to preclude the adoption of the proposed increases. He further reported that if there are no written protests or insufficient written protests by

the end of today's Public Hearing, then the District may approve the proposed increases by the adoption of Resolution No. 23-7-2.

Mr. Cafferty stated that Raftelis Financial Consultants prepared a Rate Study for the District which can be found on the District's website. He further stated that each of the rate modifications for the 2023/24 fiscal year are described in the Proposition 218 Notice as well as in the revised Rules and Regulations schedules that are included in today's Board package.

Mr. Cafferty stated that the Proposition 218 Notice also describes rate increases for the 2024/25 fiscal year, as well as the 2025/26 fiscal year.

Open Public Hearing

Public Hearing Regarding Adoption of Proposed Increases to Certain Water, Sewer and Recycled Water Service Rates and Charges

At approximately 7:10 a.m. President Havens opened the Public Hearing.

Public Comment

Mr. Yang stated that he noticed that sewer operations maintenance charge and other fees will put them over \$80/month without having a water charge. He further stated that he doesn't feel this is very efficient, and opposes the rate increases.

Mr. Yang stated that as for the outdoor efficient charges, how can they be calculated when we have one meter, and how does the District know how much water he is using outside. Mr. Cafferty replied that the tiered rate structure has been in place for more than 13 years, and is based on an outdoor budget of the amount of irrigated landscape which is measured through aerial mapping or on-site measurements.

Mr. Cafferty stated that we have no groundwater and therefore import water from MET and have no control over their rates. He further stated that there are also power and chemical costs that are necessary to maintain our system.

Director Freshley stated that fixed charges are also for the sewer portion of the District's costs, which is part of what ETWD provides as a service to its customers.

Mr. Yang stated that he opposes the rate hike.

President Havens thanked Mr. Yang for his comments.

President Havens asked Mr. Cafferty if the written protests have been tabulated. Mr. Cafferty replied yes, the District received four written protest letters.

Close Public Hearing

At approximately 7:20 p.m. President Havens closed the Public Hearing and the Regular Session resumed.

Regular Session

Resolution No. 23-7-2 Adopting Amendments to the District's Rules and Regulations

Mr. Cafferty stated that the individual schedules that define all of the proposed increases are included with the Resolution in the Board package.

President Havens asked for a Motion.

Motion: Director Freshley made a Motion, seconded by Director Gaskins to adopt Resolution No. 23-7-2 which 1) provides for an increase to certain water, sewer and recycled water service rates and charges, effective August 1, 2023, and 2) makes findings and a determination that the action taken in this Resolution is exempt from the requirements of the California Environmental Water Quality Act.

Roll Call Vote:

| | |
|------------------------|--------|
| Director Monin | aye |
| Director Gaskins | aye |
| Director Freshley | aye |
| Vice President Vergara | absent |
| President Havens | aye |

Director Reports for Meetings Attended

Director Freshley stated that she attended the MWDOC Planning/Operations meeting, the MWDOC/MET Directors workshop, the MWDOC Board meeting, the SOCWA Board meeting, two organizational meetings at SOCWA, two Laguna Woods City Council meeting, the WACO meeting, the 5th District meeting with Kristina Foley, and ETWD's regular Board meetings.

Director Gaskins stated that he attended the MWDOC Planning/Operations meeting, the MWDOC Board meeting, the MWDOC/MET Directors workshop, the SOCWA Board meeting, the SOCWA Facilitated meetings, the WACO meeting, the ISDOC Executive Committee meeting, the Katrina Foley meeting, the South County Agencies Group meeting, and ETWD's regular meetings.

Director Monin stated that he attended the WACO meeting, the ISDOC Executive Committee meeting, the MWDOC Planning/Operations meeting, the MWDOC/MET Directors workshop, the Lake Forest City Council meeting, the Laguna Woods City Council meeting, the MWDOC Admin/Finance meeting, the Katrina Foley meeting, and ETWD's regular Board meetings.

President Havens stated that she attended the MWDOC/MET Directors workshop, the WACO meeting, the MWDOC Admin/Finance meeting, the Agenda

Review meeting, the TV-6 program, the Pres/VP/GM meeting, the Laguna Woods Village Water Conservation Committee meeting, and ETWD's regular Board meetings.

General Manager Information Items

ACWA 2023 Board Officers Election

Mr. Cafferty stated that ACWA has two separate election processes, the first for the President and Vice President for the 2024/25 term, as well as the election of the Region 10 Board. He further stated that the ballot is due September 15th, so this will be an Action item on the August Board agenda.

Mr. Cafferty stated that Cathy Green is the sole candidate for the President position, and Ernesto Avila and Michael Saunders are the two candidates for the Vice President position.

Mr. Cafferty stated that in addition, the ACWA Region 10 Board has a slate of candidates that their Nominating Committee is recommending for re-election.

Orange County Grand Jury Report – "Historic Rain, Yet Drought Remains"

Mr. Cafferty stated that there are a number of Findings and four Recommendations in the report. He further stated that while some agencies are required to respond to these Findings and Recommendations, the District is requested, but not required to respond.

Mr. Cafferty stated that staff and the Board need to consider whether or not to respond to the Findings and Recommendations. The Board agreed that the District should respond to the OC Grand Jury Report's Findings and Recommendations, so therefore staff will bring the District's responses back to the Board in August as an Action item.

GM Monthly Report

There were no comments.

Legislative Reports

There were no comments.

Public Education and Outreach Report

Mr. Cafferty stated that we have been able to restore the process of interviews on LWV TV-6 programs.

President Havens stated that the District received requests on the status of the R-6 project and the time lapse video to be presented on their TV-6 program.

At approximately 8:15 p.m. Mr. Yang and Ms. Young left the meeting.

Water Use Efficiency Report

Mr. Chu stated that included in this month's report is a chart comparing the current fiscal year consumption and ET factor to fiscal year 2021/22 consumption and ET factor. He further stated that the graphs highlight year-to-date consumption and consumption by tier for the current fiscal year compared to 2021/22 fiscal year.

SOCWA Reports

Director Freshley stated that a proposal was discussed on how to modify SOCWA and how it could work going forward, suggested changes to the JPA, and other issues. She further stated that it was suggested that SOCWA would remain operating the Latham Plant and the Coastal Plant, and the Regional Plant should be operated by MNWD.

Director Freshley stated that they discussed who should handle the solids and liability in the event of a failure in the operation.

MWDOC Reports

Mr. Cafferty stated that there was discussion at the MWDOC Managers meeting on the WEROC concept of a mobile EOC. He further stated that the MWDOC/OCWD issues were discussed.

LAFCO

Director Freshley stated that there was no meeting.

South Orange County Agencies Group Meeting

There were no comments.

ISDOC

Director Monin stated that they are working on their website.

WACO

Director Monin stated that WACO had a presentation on AI in water.

COMMITTEE AND GENERAL INFORMATION

Dates to Remember for July/August 2023

There were no comments.

Comments Regarding Non-Agenda Items

There were no comments.

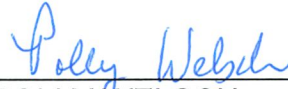
Attorney Report

Mr. Granito reported that there is no need for a Closed Session at today's meeting and therefore Regular Session continued.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 8:53 p.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

