

**AGENDA**

**SANTA MARGARITA WATER DISTRICT**

**BOARD OF DIRECTORS**

**REGULAR BOARD MEETING**

**MARCH 1, 2017**

**7:00 P.M., BOARD ROOM, DISTRICT OFFICE**

**26111 ANTONIO PARKWAY, RANCHO SANTA MARGARITA, CALIFORNIA 92688**

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Kelly Radvansky, Secretary to the Board of Directors, at (949) 459-6642 at least 48 hours before the meeting if possible.*

**ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 26111 Antonio Parkway, Rancho Santa Margarita, California 92688, during regular business hours. When practical, these public records will also be made available on the District's Internet Web Site, accessible at <http://www.smwd.com>.

**1. PLEDGE OF ALLEGIANCE**

**2. PUBLIC FORUM**

*Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to three minutes, unless further time is granted by the Presiding Officer. Please submit the form to the Recording Secretary prior to the beginning of the meeting.*

*Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.*

President, Charles T. Gibson  
Vice President, Justin McCusker  
Engineering and Operations Committee Chair, Saundra F. Jacobs  
Water Quality and Innovation Committee Chair, Betty H. Olson  
Finance and Administration Committee Chair, Charley Wilson  
General Manager, Daniel R. Ferons

**3. CONSENT CALENDAR**

- 3.1 Consideration and Action on the February 1, 2017 Board Meeting Minutes ..... **Page 4**

**Recommendation:** Approve the February 1, 2017 Board Meeting Minutes.

**4. PRESENTATION**

- 4.1 Background Information on Joint Powers Authorities: South Orange County Wastewater Authority (SOCWA), San Juan Basin Authority (SJBA), Santiago Aqueduct Commission (SAC), Santa Margarita Dana Point Authority (DPA) and Fenner Valley Water Authority (FVWA)..... **Page 8**

**5. ACTION ITEMS**

- 5.1 Consideration and Action on Scheduling of Future Agenda Items; and Re-Cap of the February 17, 2017 District Board Meeting ..... **Page 14**

**Recommendation:** Approve items for inclusion on future agendas of the District.

**6. GENERAL COUNSEL REPORT**

**7. INFORMATION ITEMS**

- 7.1 Partnering with the City of Mission Viejo to Review Options for the Oso Creek Water Reclamation Plant..... **Page 18**

- 7.2 San Juan Watershed Project Update..... **Page 20**

- 7.3 Directors' Reports of Outside or Other Meeting/Events (verbal or written reports may be provided and shall be included in the record/minutes).

**8. CLOSED SESSION**

- 8.1 CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6); Agency designated representatives: Dan Feron, Kathleen Springer, Don Bunts, Erica Castillo and Legal Counsel, Scott Smith; Employee Organization: Santa Margarita Water District Employees Association; Concerning Non-Represented Employees:

Administrative Analyst  
Assistant Chief Engineer  
Assistant to the General Manager  
Chief Engineer  
Chief Financial Officer

Chief Plant Operator  
Controller  
Customer Relations Manager  
Customer Relations Supervisor  
Deputy General Manager  
Drafting Specialist  
Electrical Superintendent/Safety Officer  
Engineering Associate  
Executive Assistant  
External Affairs Director  
Financial Analyst  
General Manager  
Human Resources Manager  
Information Technology Manager  
Information Technology Specialist  
Laboratory Supervisor  
Office Specialist  
Operations Business Manager  
Operations Field Superintendent  
Operations Manager  
Public Information Manager  
SCADA Project Manager  
Secretary to Board of Directors  
Senior Instrumentation Systems Programmer  
Senior Project Engineer  
Senior Accounting Specialist  
Senior Engineering Associate  
Systems Analyst II  
Water Efficiency Administrator

8.2 CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section: 54956.8

Property: Real Estate related to City of San Juan Capistrano's Water and Sewer Systems

Agency Negotiator: Daniel R. Feron – SMWD General Manager

Joyce Crosthwaite – SMWD Assistant to the General Manager

Don Bunts– SMWD Deputy General Manager

Negotiating Parties: Santa Margarita Water District and City of San Juan Capistrano

Under Negotiation: Terms for Proposed Acquisition of Property

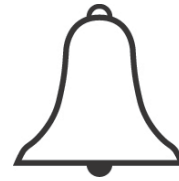
## Santa Margarita Water District Board Meeting Minutes

<b>Meeting attendees:</b>	<p>President Charles T. Gibson  Vice-President Justin McCusker  Director Sandra F. Jacobs  Director Betty H. Olson  Director Charley Wilson</p> <p>Dan Ferons                      General Manager/SMWD  Don Bunts                        Deputy General Manager/SMWD  Tricia Butler                    Chief Engineer/SMWD  Rich Kisse                        Operations Manager/SMWD  Erica Castillo                    Controller/SMWD  Jim Leach                         Director of External Affairs/SMWD  Joyce Crosthwaite             Assistant to the General Manager/SMWD  Nicole Stanfield                Public Information Manager/SMWD  Kelly Radvansky                Board Secretary/SMWD  Scott Smith                      General Counsel/Best Best &amp; Krieger  Roger Butow                      Clean Water Now  Kelly Rowe                        Independent Hydrology Consultant  Russell Davis                    Ozone Plus  Dennis Reid                      Board Member/SAMLARC  Candice Fullenkamp         Community Executive Officer/SAMLARC</p>		
<b>Date:</b>	February 1, 2017		
<b>Time:</b>	7:00 PM		
<b>Agenda Items</b>	<b>Board Action:</b>	<b>Follow-up:</b>	<b>Staff Responsible:</b>
<p><b>Agenda Item 1.</b>  <b>Pledge of Allegiance</b>  <i>Mr. Kelly Rowe led the Pledge of Allegiance.</i></p>			
<p><b>Agenda Item 2.</b>  <b>Public Forum</b>  <i>Kelly Rowe, an independent hydrology consultant from Costa Mesa, addressed the Board on the Sespil formation, and provided the Board a copy of a pamphlet he is presenting to Orange County Parks on February 2<sup>nd</sup>.</i></p> <p><i>Russell Davis with Ozone Plus, addressed the Board regarding the Lago Santa Margarita golden algae issue, and technology developed by Ozone Plus.</i></p>			

<p><b>Agenda Item 3.1</b> <b>Consideration and Action on the District's Payables for Period Ending November 30, 2016</b></p> <p><i>Motion:</i> <i>Approve the following District payables: Business Expense Report, Board of Directors' Compensation, and Bills for Payment.</i></p>	<p>Director Wilson moved Agenda Item 3.1; Director McCusker seconded; unanimously approved.</p>		
<p><b>Agenda Item 4.1</b> <b>Consideration and Action on Resolution Updating Bond Compliance Policies and Procedures in Response to Senate Bill 1029</b></p> <p><i>Motion:</i> <i>Adopt Resolution No. 2017-02-01; adopting the revised Bond Compliance Policies and Procedures.</i></p>	<p>Director McCusker moved Agenda Item 4.1; Director Olson seconded; unanimously approved.</p>		
<p><b>Agenda Item 5.1</b> <b>Consideration and Action on Providing Support to Rancho Santa Margarita Landscape and Recreation Corporation (SAMLARC) to Address the Ongoing Golden Algae Issue in Lago Santa Margarita</b></p> <p><i>Dennis Reid, SAMLARC Board Member and Chair of the Lago Santa Margarita Ad Hoc Committee, addressed the Board regarding a partnership with Santa Margarita Water District.</i></p> <p><i>Motion:</i> <i>Authorize the District to participate in development of a research project to treat Golden Algae and appoint a representative to serve on the SAMLARC Lago Santa Margarita Lake Ad Hoc Committee.</i></p>	<p>Director Wilson moved Agenda Item 5.1; Director McCusker seconded; unanimously approved.</p>		
<p><b>Agenda Item 5.2</b> <b>Consideration and Action on a Resolution of the Board of Directors of the Santa Margarita Water District in support of the California WaterFix and California EcoRestore</b></p> <p><i>Motion:</i> <i>Adopt Resolution No. 2017-02-02; supporting the California WaterFix and EcoRestore.</i></p>	<p>Director Olson moved Agenda Item 5.2; Director Jacobs seconded; unanimously approved.</p>		

<p><b>Agenda Item 5.3</b>  <b>Consideration and Action on Scheduling of Future Agenda Items; and Re-Cap of the January 20, 2017 District Board Meeting</b>  <i>There were no items included for a future agenda.</i></p>	<p>No action</p>		
<p><b>Agenda Item 6</b>  <b>General Counsel Report</b>  <i>Scott Smith, General Counsel, noted a Proposition 218 case against the City of Glendale.</i></p> <p><i>President Gibson requested BB&amp;K to review ACWA's legal affairs section of their agenda for potential impacts to the District.</i></p>	<p>Information only</p>		
<p><b>Agenda Item 7.1</b>  <b>Santa Margarita/Dana Point Authority Bond Refinancing Update</b></p>	<p>Information only</p>		
<p><b>Agenda Item 7.2</b>  <b>Fiscal Year 2017 Budget Reforecast Update</b></p>	<p>Information only</p>		
<p><b>Agenda Item 7.3</b>  <b>San Juan Watershed Project Update</b>  <i>Roger Butow, Clean Water Now, stated that the NGO's respectfully request the comments to the scoping session be posted as soon as possible.</i></p> <p><i>Kelly Rowe, independent hydrology consultant, addressed the Board regarding consideration of alternative action on the project.</i></p>	<p>Information only</p>		
<p><b>Agenda Item 7.4</b>  <b>Directors' Reports of Outside or Other Meeting/Events (verbal or written reports may be provided and shall be included in the record/minutes)</b>  <i>Directors' reports were provided after open session reconvened at 8:26 p.m.</i></p> <p><i>Director Jacobs noted a South Orange County Watershed Management meeting, an ISDOC meeting, OCWD and MWDOC discussions.</i></p> <p><i>Director Wilson noted the Verde Exchange conference highlighting storm water capture, energy efficiency, funds for MS4 and the need for grassroots effort.</i></p> <p><i>President Gibson noted a committee meeting discussing District strategic planning, and an ACWA Federal Affairs Committee meeting.</i></p>	<p>Information only</p>		

<p><b>Agenda Item 8.1</b> <b>CONFERENCE WITH REAL PROPERTY NEGOTIATORS</b> Pursuant to Government Code Section: 54956.8 Property: Real Estate related to City of San Juan Capistrano’s Water and Sewer Systems Agency Negotiator: Daniel R. Ferons – SMWD General Manager Negotiating Parties: Santa Margarita Water District and City of San Juan Capistrano Under Negotiation: Terms for Proposed Acquisition of Property</p>	No reportable action.		
<p><i>President Gibson adjourned the meeting to closed session at 7:39 p.m.; closed session ended and the meeting reconvened into open session at 8:26 p.m. and adjourned at 8:50 p.m.</i></p> <p><i>The meeting was adjourned in memory of Robert Moore. Moore served on the South Coast Water District (SCWD) Board of Directors for 18 years and during his committed tenure represented SCWD as a member of the Association of California Water Agencies Joint Powers Insurance Association, Independent Special Districts Association of Orange County, the South Laguna Water &amp; Sewer Advisory Committee, the Dana Point Authority, the Carpinteria Joint Powers Authority, and led the South Orange County Wastewater Authority serving as the Authority President. Moore was committed to demonstrating fiduciary responsibility to SCWD ratepayers and promoted water conservation measures during a severe drought through his commitment to SCWD’s Groundwater Recovery Facility and Doheny Ocean Desalination Project.</i></p>			



## MEMORANDUM

**TO:** Board of Directors

**DATE:** March 1, 2017

**FROM:** Dan Ferons

**SUBJECT:** Background Information on Joint Powers Authorities: South Orange County Wastewater Authority (SOCWA), San Juan Basin Authority, Santiago Aqueduct Commission (SAC), Santa Margarita Dana Point Authority (DPA) and Fenner Valley Water Authority

### **DISCUSSION:**

Joint Powers Authorities (JPA) are permitted under Joint Exercise of Powers Act, Section 6500 of the California Government Code and are generally established to allow agencies to operate collectively under powers established by the authorizing agreement. The District participates in five JPA's. A JPA is a distinct organization, separate from the member agencies with its own separate operating Board of Directors. JPA's can be managed separately by its own employees or contracts or by a member agency through contract.

The JPA is formed by agreement among participating agencies and can include agencies established under different authorizing legislation and can also include mutual water companies. Upon its formation, a JPA can assume the powers designated by the member agencies.

The District participates in the following JPAs, each authority is summarized on the following exhibits:

- South Orange County Wastewater Authority
- San Juan Basin Authority
- Santiago Aqueduct Commission
- Santa Margarita/Dana Point Authority
- Fenner Valley Water Authority

Periodically the District considers appointments to the Board of Directors for each organization. Depending on the focus of the JPA, the Board has appointed senior staff as the primary representative and a board member and/or senior staff as the alternate director or second alternate. The reasoning is the staff member is likely required to attend meetings and participate in analysis of projects and actions by the JPA, as well as, determine budget and funding impacts to the District. Alternatively, the Board has appointed Board members to JPA's when the senior staff is involved in the management of the JPA.



## **South Orange County Wastewater Authority**

SOCWA is a Joint Powers Authority with ten member agencies, consisting of local retail water agencies and cities that provide water to their residents. It operates three treatment plants and two ocean outfalls, in addition to multiple programs to meet the needs of its member agencies and the requirements of the Clean Water Act and applicable National Pollutant Discharge Elimination System (NPDES) permits. Additional information is available at <http://www.socwa.com>. SOCWA has formed Project Committees for participation in the various facilities, a member agency can participate in one or more project committees.

SMWD participates in the following SOCWA Project Committees:

*PC-2 Jay B. Latham Water Reclamation Plant  
PC-5 San Juan Creek Ocean Outfall  
PC-2SO Water Reclamation Permit  
Pretreatment Program*

The total annual operating budget is \$19.6 Million and the District's prorate share is \$1.9 Million. The capital improvement budget is included in the District's Five-Year Capital Replacement Program.

Currently, SMWD General Manager is the Chair of SOCWA as the SMWD appointed Director and Don Bunts is on the Engineering Committee and the Alternate Director. Over the last year, there has been a transition by the member agencies to have senior staff represent the agencies.

Currently, the District is reviewing its options for wastewater treatment to take flows from Improvement District No. 1 to the Oso Creek Plant and the 3A Plant which may minimize the flows to the Jay B. Latham Plant. We are also reviewing the flow measurements to the Latham plant for both MNWD and SMWD, currently the flows are estimated with a periodic metering. SOCWA's budget process and participation in other Project Committees are also under review. A strategic planning session will be held in March.

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### **Member Agencies:**

*Santa Margarita Water District,  
Dan Ferons*

*Moulton Niguel Water District,  
Joone Lopez*

*South Coast Water District, Andy  
Brunhart*

*El Toro Water District, Scott  
Goldman*

*Irvine Ranch Water District, Doug  
Reinhart*

*Trabuco Canyon Water District,  
Stephen Dopudja*

*Emerald Bay Community Services  
District, Mike Dunbar*

*City of Laguna Beach, Toni Iseman*

*City of San Juan Capistrano, Ray  
Miller*

*City of San Clemente, Bill Cameron*

### **Mission Statement**

*South Orange County  
Wastewater Authority's  
mission is to collect, treat,  
beneficially reuse and dispose  
of wastewater in a manner  
that protects and respects  
the environment, maintains  
the public's health, and meets  
local, state and federal  
regulations.*

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### **Santiago Aqueduct Commission**

SAC operates the Baker Pipeline for the member agencies with IRWD acting as staff under contract to the Commission. SAC has regularly scheduled meetings on a quarterly basis; however, the meeting is generally cancelled if there are no issues to come before the Commission. The District Deputy General Manager, Don Bunts has been designated as the Commissioner with Director Jacobs and the General Manager currently designated as alternates.

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#### ***Member Agencies:***

*Santa Margarita Water  
District, Mr. Don Bunts*

*Moulton Niguel Water  
District, Scott Colton*

*El Toro Water District, Fred  
Adjarian*

*Irvine Ranch Water District,  
Jim Reed*

*Trabuco Canyon Water  
District, Don Chadd*

*Municipal Water District of  
Orange County, Jeff Thomas*

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The Baker Filtration Plant is connected to the Baker Pipeline and SMWD sold a portion of its capacity in the pipeline to MNWD and ETWD, thereby reducing capacity to match the production at the plant. For the first time we are able to take water through the Baker Pipeline, the water will generally be untreated water from MWD with emergency supply from Irvine Lake. Currently the Baker Plant is undergoing testing with water from Irvine Lake.

The total annual operating budget is \$16.5 Million (\$14.8 Million is for water purchases) and the District's prorate share is \$4.5 Million. The budget is based on water delivery through the pipeline, the annual maintenance of the pipeline and a share of the administration budget.

### **Dana Point Authority**

The Santa Margarita/Dana Point Authority (the “Authority”) is a public entity created by an Agreement dated August 17, 1987 between the District and the Dana Point Sanitation District (DPSD). Effective January 1, 1999, DPSD was dissolved and the South Coast Water District (“SCWD”) became the successor entity. The Authority is a joint venture of SMWD and SCWD.

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#### ***Member Agencies:***

*Santa Margarita Water District, Mr. Chuck Gibson and Mr. Dan Ferons*

*South Coast Water District, Mr. Wayne Rayfield, Mr. Bill Green*

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The Authority was initially created for the primary purpose of acquiring wastewater treatment capacity in the SOCWA Jay B. Latham Plant for ultimate sale to SCWD. Financing for the acquisition was provided from the proceeds of the bonds and monies provided by SCWD.

In addition, the Authority issued District Revenue Bonds for the purpose of refunding bonds of SMWD. Revenues are received by the Authority from SMWD for the redemption of these bonds. The current 2017 refinancing just authorized

by the District is an example.

The powers and functions of the Authority are exercised by the Board of Directors, of which two Directors may be appointed by the Board of Directors of SMWD and three Directors may be appointed by the Board of Directors of SCWD. Currently, each Member appoints two Directors to serve on the Authority’s Board of Directors. Each Director holds office until a successor may be removed at any time, with or without cause, at the sole discretion of such legislative body.

Currently, President Gibson and the General Manager have been designated by the District as the Board members of the Agency. A unanimous decision of the Authority’s Board of Directors is required to approve the general budget and maintenance and operation budgets. Expenditures in excess of the approved budget must be approved by the Member affected by the requested budget change.

The Authority does not have an operating budget. The District provides for the financial support and all expenses are included in Santa Margarita Water District budget.

### **San Juan Basin Authority**

The San Juan Basin, a 26-square mile groundwater basin located in southern Orange County, is within the San Juan Creek Watershed. The basin is comprised of four subbasins: Upper San Juan, Middle San Juan, Lower San Juan and Lower Trabuco. The San Juan Basin underlies portions of Mission Viejo, San Juan Capistrano, Dana Point and unincorporated areas of south Orange County.

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#### ***Member Agencies:***

*Santa Margarita Water District, Betty Olson*

*Moulton Niguel Water District, Scott Colton*

*South Coast Water District, Wayne Rayfield*

*City of San Juan Capistrano, Pam Patterson*

#### ***Mission Statement***

*To develop and maintain a reliable, high quality economical local water supply for the residents in the San Juan Basin by maximizing water use through management of local ground and surface water of San Juan Creek and its tributaries, with due consideration for preservation, enhancement, and conservation of the environment, including, but not limited to, the natural resources, fish and wildlife, infrastructure improvements, and the cultural heritage of the area*

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Since the San Juan Basin is categorized as a subterranean flowing stream, the State Water Resources Control Board issues water rights permits for diversion and extraction of water from the basin. The San Juan Basin Authority (SJBA) conducts the monitoring activities that are needed to comply with its permits and also developed the groundwater management and facilities plan for watershed.

Currently the San Juan Basin Authority is managed by the District with the General Manager serving as the Administrator. The Authority has recently completed recruiting for an Administrator and is in the process of finalizing a contract with a start in March with an annual budget of \$150,000. The District provides contract financial services for SJBA.

SMWD designated Dr. Betty Olson to represent the District as the Director; and President Gibson as the alternate. The General Manager and Deputy General Manager are part of the Technical Advisory Group made up of the member agencies.

The total authorized annual operating budget is \$1,541,409.65 and the District's prorata share is \$203,805.05, currently. \$506,500 of the budget has not been allocated yet and will be based on the authorization of the projects by the Authority.

The Authority is currently reviewing the governance and member agencies. President Gibson and Director Rayfield are on an Ad Hoc Committee that is interviewing other agencies and individuals to determine the various options available. Also, the Authority is considering its role in the proposed San Juan Watershed Project currently proposed by SMWD. A Project Committee Agreement may be

proposed in conjunction with the project activities.

**Fenner Valley Water Authority**

The Fenner Valley Water Authority was formed by and between SMWD and the Fenner Valley Mutual Water Company for the operation and maintenance of the Cadiz project. Currently Director Olson and Director McCusker represent the District, the Mutual has not appointed anyone to the Authority. A separate report and update on the project and the Authority is being prepared for the March 17, 2017 Board Meeting.

# Santa Margarita Water District



## MEMORANDUM

**TO:** Board of Directors

**DATE:** March 1, 2017

**FROM:** Kelly Radvansky

**SUBJECT:** Consideration and Action on Scheduling of Future Agenda Items and Re-Cap of the February 17, 2017 District Board Meeting

### At the February 17th District meeting the following items were considered:

Item #	ACTION
3.1	Approved the January 20, 2017 Board Meeting Revised Minutes.
3.2	Approved the following District payables: Business Expense Report, Board of Directors' Compensation, and Bills for Payment.
3.3	Authorized the General Manager to sign an agreement with Moulton Niguel Water District to participate in a regional Smart Timer distribution program for a not-to-exceed amount of \$75,000.
3.4	Adopt Resolution No. 2017-02-06; Acceptance of water and sewer facilities for Tract 17453, Lots 15, 16, 17, and 19 located in the Sendero Development in I.D. No. 4E.
3.5	Approved award of contract to Irvine Pipeline in the amount of \$156,871.00 for the Chiquita Water Reclamation Plant Filter Backwash Pipeline Relocation and approve associated costs for a total project budget of \$190,000.
3.6	Adopted Resolution No. 2017-02-07; concurring with the nomination of ETWD Director Fred Adjarian to the Executive Committee of the ACWA JPIA.
4.1	Adopted Resolution Nos. 2017-02-03, 2017-02-04 and 2017-02-05; resolutions providing for the sale of General Obligation Refunding Bonds of the District's Improvement District (ID) Nos. 2, 3 and 4; the payments on which will support the payment of principal and interest of the Authority's Refunding Revenue Bonds, Series 2017A.
6.1	Authorized a lease agreement with ShowMgr.com.
6.2	Awarded a contract to Glen Lukos and Associates in the amount of \$143,740 to perform the necessary biological monitoring activities.
7.1	Approved the agreement between Santa Margarita Water District and Rancho Mission Viejo, L.L.C. for the acquisition of Trampas Reservoir and Buy-in to Regional Facilities; subject to final review.
7.2	Adopted Resolution No. 2017-02-08; Approving Joint Community Facilities Agreement with County of Orange for Communities Facilities District No. 2017-1 of the County of Orange (Village of Esencia); and authorize the

	General Manager to commit the District to the terms of the agreement and execute it on behalf of the District.
<b>7.3</b>	There were no items requested for a future agenda.
<b>8.1</b>	Received and filed the District's quarterly financial statements.
<b>8.2</b>	Received and filed the District's quarterly investment report portfolio.
<b>8.3</b>	Received and filed the General Manager's Quarterly Authorization of Funds report.

The DRAFT chart below includes anticipated items for the next three months:

	<u>Board Meeting #1</u>	<u>Board Meeting #2</u>	<u>Special Meeting</u>
<b>March</b>		<u>Action Items</u> 1. Policy Handbook 2. MWDOC Budget Review  <u>Information Items</u> 1. Cadiz Update 2. DIR-Staff time spent on admin process	Joint Board Meeting with SCWD- March 8 <sup>th</sup>
<b>April</b>		<u>Action Items</u> 1. Emergency Reserves  <u>Information Items</u> 1. Rating Agency (2017A Bonds)	
<b>May</b>		<u>Action Items</u> 1. Fiscal Year 2018 Budget  <u>Information Items</u> 1. Audit RFP Update	

**Future agenda items, to be scheduled:**

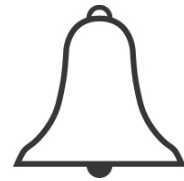
- Pension Trust Discussion
- Rate Study

Board Member	Event	Day	Date	Location	Deadline	Cost of Event	Are you Attending?		Dates Hotel Needed	Dates of flights
							Yes	No		
Chuck Gibson	ACWA 2017 Legislative Symposium	Wednesday	3/8/2017	Sacramento		\$245				
Chuck Gibson	SOCEC- Economic Report 2017	Friday	3/10/2017	Saddleback College		\$60	X			
Chuck Gibson	Imagine H2O Water Gala	Wednesday	3/15/2017	San Francisco		\$100				
Chuck Gibson	MWDOC Water Policy Forum - Kightlinger	Thursday	3/30/2017	Garden Grove		\$80				
Chuck Gibson	LARCS Spring Celebration	Saturday	4/8/2017	Ladera Ranch		no charge	X			
Chuck Gibson	CASA/WateReuse Public Policy Forum	Wednesday	4/19/2017	Sacramento		\$275				
Chuck Gibson	MWDOC Elected Officials Forum	Wed	4/26/2017	MWDOC			X			
Chuck Gibson	ACWA 2017 Spring Conference		5/9-5/12	Monterey		\$699				
Justin McCusker	ACWA 2017 Legislative Symposium	Wednesday	3/8/2017	Sacramento		\$245				
Justin McCusker	SOCEC- Economic Report 2017	Friday	3/10/2017	Saddleback College		\$60				
Justin McCusker	Imagine H2O Water Gala	Wednesday	3/15/2017	San Francisco		\$100				
Justin McCusker	MWDOC Water Policy Forum - Kightlinger	Thursday	3/30/2017	Garden Grove		\$80				
Justin McCusker	LARCS Spring Celebration	Saturday	4/8/2017	Ladera Ranch		no charge				
Justin McCusker	CASA/WateReuse Public Policy Forum	Wednesday	4/19/2017	Sacramento		\$275				
Justin McCusker	MWDOC Elected Officials Forum	Wed	4/26/2017	MWDOC						
Justin McCusker	ACWA 2017 Spring Conference		5/9-5/12	Monterey		\$699				
Saundra Jacobs	ACWA 2017 Legislative Symposium	Wednesday	3/8/2017	Sacramento		\$245				
Saundra Jacobs	SOCEC- Economic Report 2017	Friday	3/10/2017	Saddleback College		\$60				
Saundra Jacobs	Imagine H2O Water Gala	Wednesday	3/15/2017	San Francisco		\$100				
Saundra Jacobs	MWDOC Water Policy Forum - Kightlinger	Thursday	3/30/2017	Garden Grove		\$80				
Saundra Jacobs	LARCS Spring Celebration	Saturday	4/8/2017	Ladera Ranch		no charge				
Saundra Jacobs	CASA/WateReuse Public Policy Forum	Wednesday	4/19/2017	Sacramento		\$275				
Saundra Jacobs	MWDOC Elected Officials Forum	Wed	4/26/2017	MWDOC						
Saundra Jacobs	ACWA 2017 Spring Conference		5/9-5/12	Monterey		\$699				
Betty Olson	ACWA 2017 Legislative Symposium	Wednesday	3/8/2017	Sacramento		\$245				
Betty Olson	SOCEC- Economic Report 2017	Friday	3/10/2017	Saddleback College		\$60				
Betty Olson	Imagine H2O Water Gala	Wednesday	3/15/2017	San Francisco		\$100				
Betty Olson	MWDOC Water Policy Forum - Kightlinger	Thursday	3/30/2017	Garden Grove		\$80				
Betty Olson	LARCS Spring Celebration	Saturday	4/8/2017	Ladera Ranch		no charge				
Betty Olson	CASA/WateReuse Public Policy Forum	Wednesday	4/19/2017	Sacramento		\$275				
Betty Olson	MWDOC Elected Officials Forum	Wed	4/26/2017	MWDOC						
Betty Olson	ACWA 2017 Spring Conference		5/9-5/12	Monterey		\$699				
Charley Wilson	ACWA 2017 Legislative Symposium	Wednesday	3/8/2017	Sacramento		\$245				
Charley Wilson	SOCEC- Economic Report 2017	Friday	3/10/2017	Saddleback College		\$60				
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Charley Wilson	MWDOC Water Policy Forum - Kightlinger	Thursday	3/30/2017	Garden Grove		\$80				
Charley Wilson	LARCS Spring Celebration	Saturday	4/8/2017	Ladera Ranch		no charge				
Charley Wilson	CASA/WateReuse Public Policy Forum	Wednesday	4/19/2017	Sacramento		\$275				
Charley Wilson	MWDOC Elected Officials Forum	Wed	4/26/2017	MWDOC						
Charley Wilson	ACWA 2017 Spring Conference		5/9-5/12	Monterey		\$699				



*Santa Margarita Water District*

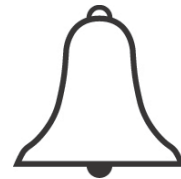
MEMORANDUM



Agenda Item 6 General Counsel Report

Oral Report Only

# Santa Margarita Water District



## MEMORANDUM

**TO:** Board of Directors **DATE:** March 1, 2017

**FROM:** Daniel Ferons and Don Bunts

**SUBJECT:** Partnering with the City of Mission Viejo to Review Options for the Oso Creek Water Reclamation Plant

### DISCUSSION

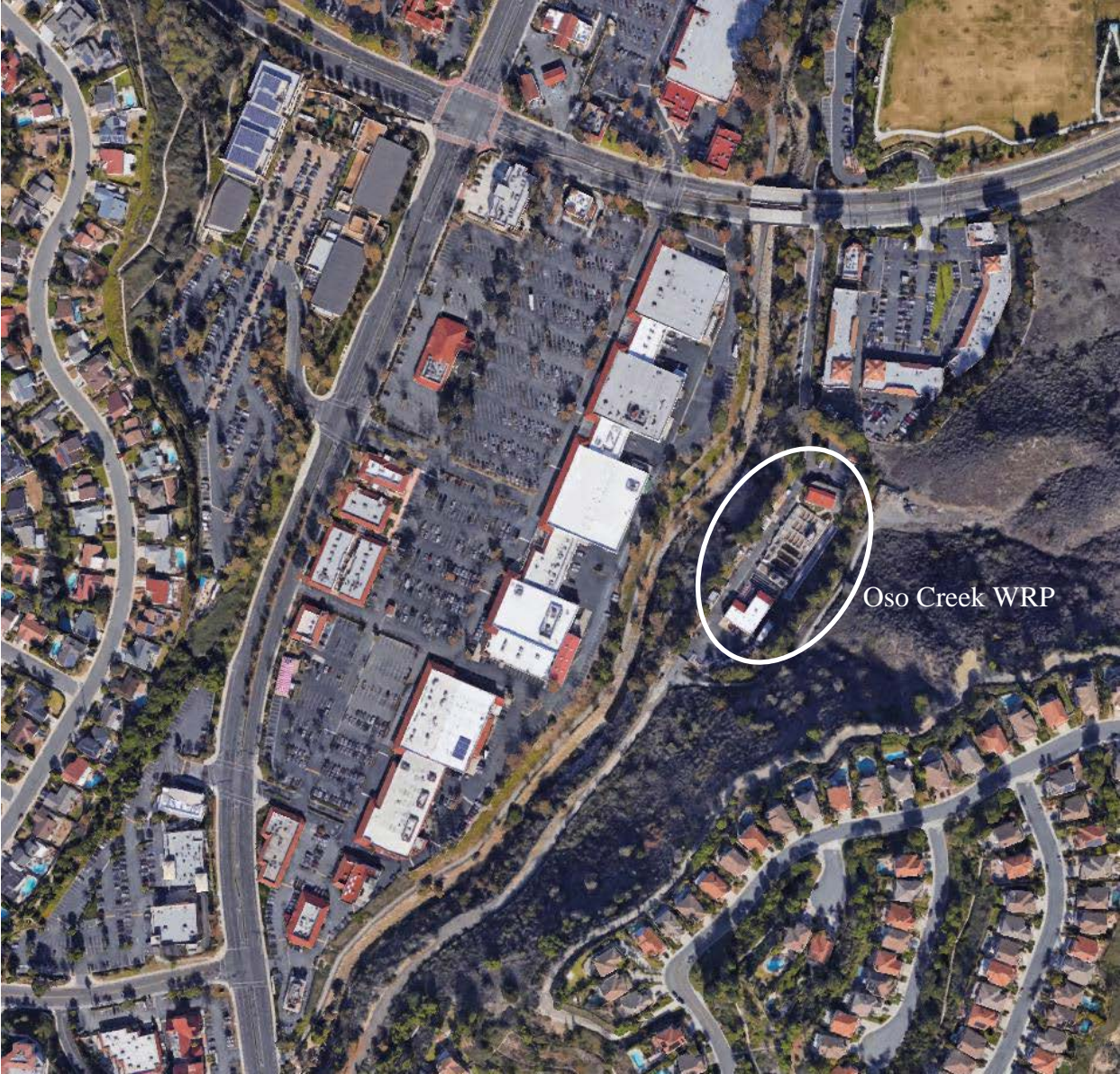
The City of Mission Viejo approached the District to consider options for the Oso Creek Water Reclamation Plant (Oso Creek WRP) as shown on the following page. The City is considering enhancing the Oso Creek and adjacent amenities including trails, sitting areas and enriched retail opportunities such as outdoor dining areas near the intersection of La Paz and Marguerite Parkways.

The Oso Creek WRP was constructed in 1979 and serves the community of Mission Viejo with production of 1.8 MGD of recycled water. The plant takes wastewater from the Oso Creek Trunk Sewer and treats the liquids; the solids are returned to the trunk sewer for treatment at the 3A Plant or the SOCWA Jay B. Latham plant downstream. In addition to the plant, the site also has the La Paz Pump Station that pumps the recycled water from the Oso Creek WRP and the 3A Plant, as well as the water collected at the Oso Barrier up to Upper Oso Reservoir.

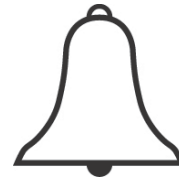
The City is in the early stages of a planning effort to determine what options are available to use the creek as a natural focal point within the City. The options include trails along the creek, potential of water features, addition of parking opportunities, as well as providing an amenity to the residents for retail and dining possibilities.

The City has requested the District review its options including sending the flows to the 3A Plant or covering the Oso Creek WRP and relocating it away from the retail and creek. The study would include concept level planning and cost estimates. In addition to the treatment plant, the study will review the options for delivery of recycled water and collection of wastewater. We estimated the cost to be \$50,000.

The discussion will be considered at the March 28, 2017 City Council meeting to give direction on proceeding with the project and analysis. If the City does go forward we will enter into a letter agreement to provide the needed documentation.



# Santa Margarita Water District



## MEMORANDUM

**TO:** Board of Directors

**DATE:** March 1, 2017

**FROM:** Don Bunts

**SUBJECT:** San Juan Watershed Project Update

### **FACILITY PLANNING AND DESIGN EFFORTS**

#### Environmental Documents

The Notice of Preparation of a Draft Environmental Impact Report (NOP) was released with the public comment period ending on February 2, 2017. The comments have been collected by ESA and are being addressed as part of the preparation of the draft Environmental Impact Report (EIR). The comments received have been posted on the San Juan Watershed Project website. The individual technical studies have begun for biological and cultural elements. Discussions of the optimal approach to addressing the steel head trout consideration are being held internally before meeting with the appropriate regulatory agencies.

#### Preliminary Design

Multiple topics have been discussed with the team including further considerations for the following:

- siting of the rubber dams
- hydrologic conditions to be considered for facility design

PACE Engineering has been added to the design team for consultation on the creek hydrology that is being developed for Orange County Flood Control and additional assistance with the dam siting.

Additional geological testing is going to be performed to better define the location and configuration of bedrock between the Stonehill and La Paz well fields.

### **PUBLIC OUTREACH**

Continued correspondence with non-governmental organizations (NGO's) to respond to questions and comments has been taking place.

Board of Directors

March 1, 2017

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## **PARTNERS**

District staff is continuing to solicit partnerships with various other agencies and municipalities. Draft agreement documents are being prepared for circulation amongst the possible project partner(s).

Staff made a presentation of the FAF report and introduction of the project to the Metropolitan Water District.