

**MINUTES OF THE SPECIAL MEETING
OF THE
BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT
MAY 15, 2015**

The Special Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Stephen Dopudja at 7:00 PM, in the Board Room at the District Administrative Facility, located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, recorded and transcribed the minutes thereof.

DIRECTORS PRESENT

President Stephen Dopudja
Vice President Glenn Acosta
Director James Haselton
Director Edward Mandich
Director Michael Safranski

STAFF PRESENT

Hector Ruiz, General Manager
Michael Perea, District Secretary
Lorrie Lausten, Engineer
Karen Warner, Accounting Supervisor
Lisa Carmouche, Administrative Assistant

DISTRICT CONSULTANTS PRESENT:

District General Legal Counsel – Rob Anslow (Bowie, Arneson, Wiles & Giannone)

PUBLIC PRESENT

There were members of the public present

PLEDGE OF ALLEGIANCE

Director Safranski led the Board and District staff in the pledge of allegiance.

VISITOR PARTICIPATION

Mr. Gus Alba, Robinson Ranch resident, commented on the proposed conservation restrictions, and asked the Board if the loss in revenue due to lower water sales would result in increased water rates.

Mr. David Seroski, Canyon resident, commented on the drought impacts to him and his neighbors, and asked if there would be restrictions of water use to his horses, and why the State is allowing new home developments during this time.

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ORAL COMMUNICATION

No oral communication was received.

DIRECTOR'S COMMENTS

Director Mandich had no comments.

Director Safranski commented on Irvine Ranch Water District's Notice of Water Rate Adjustments.

Vice President Acosta reflected on the District's past challenges, both financial and project-wise, and mentioned that the statewide drought has greater significance and impact.

Director Haselton commented that the impact of the statewide drought is of great concern, commended District staff for their efforts to date, and thanked the audience members for their attendance.

President Dopudja thanked the audience members in attendance, and commented that the drought is a time of crisis. President Dopudja added that this is an excellent educational opportunity concerning water challenges for District customers, and that although action is required, it is important that the District's response to the drought is fair to all.

Director Safranski added three reasons for the purpose of the Special Board Meeting:

- The District is mandated by the State Water Board to respond to the emergency drought regulations;
- Conservation is good for the environment;
- Conservation is good for the pocketbook

Director Safranski commented on the District's efforts to recover and reuse irrigation runoff, but that ultimately, it is the District's customers that need to help the District meet the State Water Board-assigned Conservation Standard of 32%.

REPORT FROM THE GENERAL MANAGER

Mr. Ruiz reported that Ms. Barbara Thomas and Mr. Martin McIntosh of Thomas Communications Group (TCG) were in attendance, and that they are scheduled to present information concerning public outreach methods specific to the statewide drought.

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 1: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING STATEWIDE DROUGHT CONDITIONS AND STATE WATER RESOURCES CONTROL BOARD (SWRCB) DROUGHT REGULATIONS

Mr. Ruiz mentioned that this discussion item consists of three separate sub-items which focus on the following drought-related matters: drought emergency, water conservation resolution, and public outreach and education. Mr. Ruiz mentioned that District staff is typically preparing Fiscal Year Budgets and the annual Water Awareness Day Event this time of year, but that the statewide drought and the

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State Water Board's Emergency Regulations are serious and require the scheduling of a Special Board Meeting a significant amount of staff time for public outreach and education. Mr. Ruiz added that there have been many moving targets and unknown challenges for District staff, but that his job as General Manager is to ensure the adopted District Ordinances are followed, which include the Water Conservation Ordinance. Mr. Ruiz commended District staff for their hard work during this time, and reviewed the agenda sub-items with the Board and audience.

ITEM 1A: UPDATE ON SWRCB REGULATORY ACTION RELATED TO DROUGHT EMERGENCY CONDITIONS

Mr. Ruiz reviewed a powerpoint presentation concerning the matter with the Board and the audience, and highlighted the following matters:

- **Drought Conditions**

Mr. Ruiz mentioned that currently the state is in the fourth year of severe drought conditions, and that 2013 was one of the driest years on record. Mr. Ruiz added that January, 2015, was the driest January on record which resulted in the lowest levels of Sierra Nevada snowpack in recorded history. Mr. Ruiz mentioned that several communities have run out of water, and that some communities are at risk of running out of water. Discussion occurred concerning the current reservoir levels statewide.

- **Drought Historical Timeline**

Mr. Ruiz reviewed the State of Emergency Declarations Proclaimed by Governor Brown which started with voluntary 20% reductions in January, 2014, but then on April 25, 2015, became mandatory 25% reduction statewide. Mr. Ruiz reviewed the Governor's Ordinance No. B-29-15, which directed the State Water Board to impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016. Mr. Ruiz reviewed the State Water Board Regulation timeline with the Board and the audience, and emphasized that the emergency regulations with the mandatory Conservation Standards for potable urban water suppliers statewide become effective on June 1, 2015. Mr. Ruiz commented that the Conservation Standards range from 10% to 36%, and are based on the residential gallons per capita per day (R-GPCD) of each water suppliers' service area, and that agencies with high per capita usage are assigned proportionally greater reductions than those with low use. Mr. Ruiz commented that the State Water Board has assigned the District with a 32% Conservation Standard.

- **State Water Board Regulatory Actions Update**

Mr. Ruiz reviewed the State Water Board Regulatory Actions and prohibited uses of potable water throughout the State. Mr. Ruiz mentioned that many of these prohibitions were included in the District's Water Conservation Ordinance adopted in 2008, but that the State Water Board has developed certain new prohibitions which include:

- No irrigation of turf or ornamental landscapes during and 48 hours following measurable rainfall;
- No irrigation with potable water of ornamental turf on public street medians;
- No irrigation with potable water of landscapes of newly constructed homes and buildings in

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a manner inconsistent with regulations or other requirements.

Mr. Ruiz mentioned that the State Water Board's emergency regulations are in effect for 270 days beginning June 1, 2015, and that the District's tier level and R-GPCD is based on July through September, 2014 potable water demand. Mr. Ruiz highlighted the State Water Board mandatory reporting process, and mentioned that the State Water Board is expecting its greatest impact from water demand cuts during the summer months. Discussion occurred concerning the definition of product water; Mr. Ruiz mentioned that any and all water used in the District's potable water distribution system is reported to the State Water Board.

Action: The Board received the information concerning the matter. No action taken.

ITEM 1B: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE ADOPTION OF RESOLUTION NO. 2015-1210 – IMPLEMENTING WATER CONSERVATION ACTIONS AND REQUIREMENTS

Mr. Ruiz provided background on the District's sources of water supply, and reviewed the District's potable water demands by customer class. Mr. Ruiz mentioned that District staff have meet with the Homeowner Association (HOA) stakeholders on a monthly basis at the Community Associations of Rancho (CAR) meetings, and recently, the District held a HOA Drought Emergency Meeting to review the impacts of the State Water Board emergency regulations on potable urban water users and the District's mandatory 32% Conservation Standard. Mr. Ruiz added that the message was well received by the HOAs and Nurseries, and that District staff has scheduled follow up meeting with each stakeholder to strategize methods to help the District meet the 32% reduction, which include turf removal projects, recycled water conversions, implementation of California Friendly landscapes, and options to effectively manage fuel modification zones.

Mr. Ruiz reviewed the District's Water Conservation Ordinance (Ordinance No. 2008-18), and mentioned that certain Permanent Provisions became effective upon adoption. Mr. Ruiz reviewed the activated provisions of Level One/Water Watch which were approved by the Board on July, 2014. Mr. Ruiz added that the Ordinance contains limitations and administrative requirements for the implementation of conservation measures and application of penalties and fines for violations. Discussion occurred concerning the administrative requirements to apply penalties in response to violations as provided in the Ordinance; Mr. Ruiz mentioned that District staff would be required to deliver a full copy of the Ordinance for each initial violation, and that the District is required to establish a Notice and Hearing process once a fine is applied to customers for additional violations. Mr. Ruiz mentioned drought-related matters for Board consideration, which included the acknowledgement of fuel modification zones, establishing alternative methods for the administration of violation penalties, the allowance of alternative plans for compliance with the State Water Board Conservation Standard, and the development of an Ad Hoc Committee to review and make recommended updates to the District's Ordinance.

Mr. Ruiz reviewed Resolution No. 2015- 1210 which activates certain provisions of the District's Ordinance of both Level One and Level Two to comply with the State Water Board's Mandatory 32%

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Conservation Standard, and the newly approved State Water Board emergency regulations that were not part of the Ordinance. Mr. Ruiz highlighted the provision that allows for District staff to work with Commercial Agriculture and Commercial Irrigation users to submit a Conservation Plan to meet the mandatory 32% reduction, as well as the proposed two day watering schedule by community. Discussion occurred concerning the watering schedule methodology and challenges, and the most effective public outreach methods to communicate the conservation provisions.

Action: A motion was made by Vice President Acosta and seconded by Director Safranski to adopt Resolution No. 2015-1210 – Resolution of the Board of Directors of Trabuco Canyon Water District Making Certain Findings, Providing for Activation of Designated Measures Under Existing Water Conservation and Water Supply Shortage Ordinance and Program and Taking Related Actions. The motion carried 5 –0.

ITEM 1C: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TCWD PUBLIC OUTREACH FOR DROUGHT EMERGENCY COMMUNICATION AND SPECIAL MESSAGING IN SUPPORT OF WATER CONSERVATION EFFORTS

Mr. Ruiz introduced Ms. Thomas and Mr. McIntosh of TCG, and mentioned that Mr. Perea will review a powerpoint presentation which highlights the District’s outreach, communication, and special messaging strategies during the ongoing statewide drought. Mr. Perea mentioned that the District will focus on public outreach, education, and enforcement of the District’s Ordinance in order to meet the State Water Board Mandatory Conservation Standard of 32%. Mr. Perea mentioned that District staff has coordinated with Infosend to develop a new utility bill designed to provide specific tools for District customers to meet the challenge of reducing their monthly water demand. Mr. Perea presented a sample of the new District utility bill, and highlighted the updates which included a bar graph which compares current month usage with the same month usage in 2013, and a special messaging section which can be tailored to specific customer groups. Discussion occurred concerning the utility bill design and strategies for communicating with District customers. Mr. Perea added that District staff will also incorporate projects like recycled water conversions, potable water irrigation meter audits, and District Treatment Facility water use audits to identify inefficiencies and implement corrections that are consistent with the emergency regulations. Mr. Perea reviewed the planned public outreach efforts, which included the May 30th Water Awareness Day Event at the District’s Administration Facility, ongoing monthly status reports to the CAR Meeting Group, outreach to individual HOA stakeholders to meet the mandatory 32% reduction, and a joint presentation to the City of Rancho Santa Margarita City Council on June 10, 2015, with Santa Margarita Water District staff.

Ms. Thomas provided a brief background to the services that TCG could supplement District staff efforts during this unprecedented drought period, and highlighted some of their other clients and work to date. Mr. McIntosh reviewed the collaboration timeline with the Board, and mentioned that TCG would assist District staff in the preparation for press releases, special mailers/postcards, utility bill stuffers, and signage for the District’s service area. Mr. McIntosh presented a sample of the watering schedule postcard and lawn signs that are designed to communicate the District’s conservation efforts and provisions. Discussion occurred concerning the additional communication efforts which included

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social media outreach and enforcement assistance. Mr. McIntosh reviewed the proposed public outreach schedule and provided a handout which demonstrated the costs associated with TCG's services. Mr. Ruiz reviewed the proposed costs with the Board.

Action: A motion was made by Vice President Acosta and seconded by Director Safranski to authorize the General Manager and District staff to implement the District recommendations set forth during the Board Meeting concerning Public Outreach for Drought Communication and Special Messaging in support of water conservation efforts with Thomas Communication Group for a not to exceed amount of \$50,000.
The motion carried 5 – 0.

ADDITIONAL DIRECTORS' COMMENTS

Director Safranski commented that the planned communication strategy is a meaningful marketing campaign and a good start, and mentioned that District staff should celebrate any and all successes with lawn signage or banners throughout the District's service area.

Vice President Acosta commended District staff and TCG for their efforts, and thanked Ms. Thomas for her participation. Ms. Thomas mentioned that any feedback from the Board is welcomed during the outreach timeline.

President Dopudja commended District staff for their efforts and hard work, and mentioned the development of an Ad Hoc Committee for the review of the District Ordinance and conservation measures; Mr. Anslow commented that the matter can be approved at the following Regular Board Meeting. President Dopudja thanked the public audience members for attending the meeting, and expressed that he hoped that they found the information educational.

ADDITIONAL GENERAL MANAGER COMMENTS

There were no additional General Manager comments received.

END ACTION CALENDAR

ADJOURNMENT

President Dopudja adjourned the May 15, 2015, Special Board Meeting at 7:42 PM.