



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | OCTOBER 16, 2019

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on October 16, 2019 was called to order by President Safranski 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, transcribed the minutes thereof.

DIRECTORS PRESENT

President Michael Safranski
Vice President Don Chadd
Director Glenn Acosta
Director Stephen Dopudja
Director Edward Mandich

DIRECTORS ABSENT

None

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager/District Secretary
Lorrie Lausten, Principal Engineer
Lisa Marie Sangi, Administrative Assistant
Karen Warner, Accounting Supervisor
Jason Stroud, Maintenance Superintendent

DISTRICT CONSULTANTS PRESENT:

Rob Anslow, District General Legal Counsel (Atkinson, Andelson, Loya, Ruud & Romo)/Assistant District Secretary

PUBLIC PRESENT

There were members of public present.

PLEDGE OF ALLEGIANCE

Director Dopudja led the Board, District staff, and audience in the Pledge of Allegiance.

ITEMS TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

Ms. Sandra Jacobs, Director for Santa Margarita Water District, expressed her appreciation to the Board of Directors for their support in the OCLAFCO Commissioner Election.

Mr. Peter Horvath, Dove Canyon resident, addressed the Board of Directors concerning the District's Bell Canyon Sewer Lift Station Rehabilitation Project timeline. Discussion occurred concerning the District's facility rehabilitation plans and project timeline. Mr. Paludi indicated that this matter was agendized for Board action later in the meeting.

ORAL COMMUNICATION

No oral communication was received.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | OCTOBER 16, 2019**

DIRECTOR'S COMMENTS

Director Chadd reported on his attendance at the South Orange County Agencies' Group Joint Meeting with the Municipal Water District of Orange County (MWDOC) and Orange County Water District, and his attendance at the South Orange County Integrated Regional Watershed Management Area Executive Committee Meeting.

Director Acosta welcomed the members of the public in the audience.

Director Safranski commented on the recent Southern California Edison (SCE) electrical power outage and emergency preparedness. Discussion occurred concerning SCE communication with the District concerning planned Public Safety Power Shutoffs (PSPS) and District notification to its customers.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported District staff responded to an emergency pipeline break of a sixteen (16) inch pipeline on the El Toro Road bike trail. Mr. Paludi added that Water Operations staff worked with Ferreira Construction to complete the repair and restore water service.

Mr. Paludi provided a brief update concerning his General Manager Bi-Weekly Report.

Mr. Perea presented a PowerPoint presentation which highlighted the District's Emergency Response Protocols.

CONSENT CALENDAR

President Safranski indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests a separate action on a specific item.

Action: A motion was made by Director Acosta, and seconded by Director Chadd, to pull Item Four from the Consent Calendar Items and approve the balance of items.
The motion carried 5 – 0.

ITEM 4: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ATTENDANCE

Director Acosta requested that his Fees and Expenses Report be updated to reflect his attendance at the South Orange County Wastewater Authority (SOCWA) Regular Board Meeting and the California Special Districts Association (CSDA) Conference, as well as delete his attendance at the District's September Regular Board Meeting.

Action: A motion was made by Director Acosta and seconded by Director Mandich to ratify the amended Directors' Fees and Expenses from September 2019 and approve the tentative future meetings/attendance.
The motion carried 5 – 0.

ADMINISTRATIVE MATTERS

ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE PROPOSED PALOMA SQUARE DEVELOPMENT (DOVE CANYON PLAZA)

Director Mandich recused himself from discussion and voting on this Agenda Item.

Mr. Paludi presented this matter for Board review, and he commented that the matter was for informational purposes only. Mr. Paludi reported that District staff received a letter from Hunsaker and Associates, on behalf of William Lyon Homes (developer), requesting the District complete a Sub-Area Master Plan (SAMP) with a current site plan of one hundred-twenty (120) units; Mr. Paludi added that this request had been uploaded on the

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | OCTOBER 16, 2019**

District’s website consistent with past practice of posting public documents related to this issue. Discussion occurred concerning the District’s SAMP preparation process and requirements.

Action: The Board took no action on this matter.

ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT’S 2019 PLANO SERVICE AREA NON-DOMESTIC WATER ALLOCATION REPORT

Mr. Paludi presented this item for Board consideration, and he mentioned that District staff recommends that Board act on this matter. Mr. Perea provided a brief overview of the DRAFT Report and Technical Memorandum prepared by PSOMAS Engineering, and he mentioned that Technical Memorandum uses seven years of current data to allocate non-domestic water to users based on the classifications described in the DRAFT Report. Discussion occurred concerning existing contractual arrangements with certain users and utilizing wastewater contribution as the basis for allocation purposes. The Board of Directors emphasized the importance of engaging the non-domestic water users as the new rates are developed.

Action: The Board of Directors recommended returning this matter to the Engineering/Operational Committee for further evaluation.

ITEM 7. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) JOINT POWERS AGREEMENT AMENDMENT(S)

Mr. Paludi presented this matter for Board review, and he mentioned that this was an informational item only. Mr. Paludi briefly reported on the ongoing strategic planning efforts related to the Joint Power Agreement (JPA).

Action: The Board took no action on this matter.

ITEM 8. DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT’S PARTICIPATION IN THE MUNICIPAL WATER DISTRICT (MWD) AMERICA WATER INFRASTRUCTURE ACT (AWIA) COMPLIANCE AND RESILIENCY ASSESSMENT AND EMERGENCY RESPONSE PLANS

Director Dopudja recused himself from discussion and voting on this Agenda Item.

Mr. Paludi presented this matter for Board review, and he reported that District staff was currently working with Municipal Water District of Orange County (MWD) and its consultant on this joint regulatory compliance effort. Mr. Perea provided a brief review of the AWIA Compliance requirements and he reported that the District has completed the Phase I portion. Mr. Perea added that MWD has requested that member agencies participating in the Phase II and III portion of the compliance effort execute the agreement as presented.

Action: A motion was made by Director Acosta and seconded by Director Mandich to authorize the General Manager to execute the Agreement for Sharing Consultant Costs for 2019 AWIA Compliance Risk and Resiliency Assessments and Emergency Response Plans for Participating Agencies [Phases II and III].
The motion was approved by a vote of 4-1 with Director Dopudja abstaining.

ITEM 9. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT’S RATE ANALYSIS FOR WATER, WASTEWATER, AND NON-DOMESTIC WATER RATES AND CHARGES AND RELATED MATTERS

Mr. Paludi presented this informational item for Board consideration, and he provided a brief overview of District staff’s efforts to date in evaluating the water, wastewater, and non-domestic water rates and charges with Raftelis Financial Consultants (RFC). Mr. Paludi added that District staff were evaluating reserve fund adequacy in relation

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | OCTOBER 16, 2019**

to capital improvement projects for District facilities. Discussion occurred concerning the evaluation of the reclaimed and recycled water costs of service and the potential impact on users in the Plano Service Area. Mr. Paludi added that District staff intends to discuss the rate adjustments with key stakeholders and customers. Discussion occurred concerning Metropolitan Water District of Southern California (MET) budget cycles and rate development.

Action: The Board took no action on this matter.

ENGINEERING MATTERS

ITEM 10. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT

Mr. Paludi presented this matter for Board consideration, and he reported that District staff had responded to the emergency equipment and electrical failure at this facility on the Labor Day weekend in September. Mr. Paludi added that this facility was still in emergency operations and that District staff had engaged JIG Consultants to provide an Engineering Design Services proposal to develop a design-build solution for upgrades and improvements for this facility. Ms. Lausten provided a brief review of the operational response measures to date to ensure the continued operation of this facility, and she presented photos of the existing equipment and electrical controls. Discussion occurred concerning long-term facility rehabilitation planning and project timeline.

Action: A motion was made by Director Chadd and seconded by Director Acosta to authorize the General Manager to execute a Contract with JIG Consultants for the Engineering Design Services for Bell Canyon Lift Station Rehabilitation in the amount of \$71,845.
The motion carried 5 – 0.

ITEM 11: SADDLE CREST DEVELOPMENT (63 DUs)

Mr. Paludi presented this informational item for Board consideration and he reported that the onsite reservoir and pump station were substantially complete. Ms. Lausten provided a brief update concerning the development, and she reported that the pump station does not have permanent electrical power due to delays with Southern California Edison (SCE). Ms. Lausten added that the Department of Public Health has completed the inspection for the onsite reservoir for permitting purposes. Discussion occurred concerning ongoing discussion with the developer regarding shared costs in accordance with the agreement for improvements to the District's Ridgeline Booster Pump Station.

Action: The Board took no action on this matter.

ITEM 12: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE URBAN WATER & STORMWATER RUNOFF CONVEYANCE STRUCTURE TO DOVE LAKE

Director Safranski recused himself from discussion and voting on this Agenda Item.

Mr. Paludi presented this matter for Board consideration, and he presented the DRAFT Agreement related to the repair project and site access. Discussion occurred concerning certain proposed terms outlined in the agreement and ownership rights of the structure; Mr. Perea mentioned that the agreement clearly identifies the repair project is owned by Trabuco Highlands Community Association (THCA). Discussion occurred concerning the terms regarding the management of water in William Lyon Pond Property.

Action: A motion was made by Director Acosta and seconded by Director Dopudja on the following actions:

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | OCTOBER 16, 2019**

1. Approve the proposed Agreement Regarding William Lyon Pond Property By and Between Trabuco Canyon Water District and Trabuco Highlands Community Association as to form.
 2. Authorize the General Manager to execute the Agreement pending non-substantive changes.
 3. Direct District staff to prepare, file, and post a Notice of Exemption for this project.
- The motion was approved by a vote of 4-1 with Director Safranski abstaining.

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

ITEM 13: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) 2019 FALL CONFERENCE & GENERAL SESSION MEMBERSHIP MEETING

Mr. Paludi presented this matter for Board consideration, and he mentioned this was a procedural matter related with the General Session Membership Meeting at the Fall Conference. Mr. Paludi added that it is necessary that the Board designate an authorized voting representative to cast a vote for the Board of Directors Election.

Action: A motion was made by Director Mandich and seconded by Director Dopudja to designate Vice President Don Chadd as the District Authorized Voting Representative for the ACWA 2019 Fall Conference General Session Membership Meeting(s) and to cast ballot in absence of the Board President and provide ACWA with all required confirmations thereof.
The motion was approved by a vote of 5-0.

ITEM 14. LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Paludi presented a brief update on certain meetings that he attended in the previous weeks, including the OCLAFCO Regular Commission Meeting; MWDOC Regular Board Meeting; and he provided a brief update related to the completion of the MET and Los Angeles County Sanitation District's Advanced Water Treatment Plant in Carson.

Mr. Paludi provided brief updates concerning certain state legislative water-related matters, including, but not limited to, State Water Resources Control Board Water Loss Standards; TCWD participating as signatory to a joint letter with other water agencies related to the development of Water Loss Performance Standards and Economic Model. Discussion occurred concerning other state legislative matters.

Action: The Board took no action on this matter.

CLOSED SESSION(S):

The Board of Directors entered Closed Session at 8:35 p.m.

CLOSED SESSION NO. 1: CONFERENCE WITH LEGAL COUNSEL/SOCWA REPRESENTATIVE

The Board of Directors met in closed session with the District's General Manager, Assistant General Manager, and General Legal Counsel regarding confidential information involving South Orange County Water Association (SOCWA) - Pursuant to California Government Code Section 54956.96(a)(1) & (b).

CLOSED SESSION NO. 2: PUBLIC EMPLOYEE PERFORMANCE EVALUATION

The Board of Directors met in closed session with the District's General Manager and General Legal Counsel to review the performance of the District's Assistant General Manager.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | OCTOBER 16, 2019**

ITEM 15: REPORT OF ACTIONS TAKEN IN CLOSED SESSION

The Board of Directors reconvened in open session at 8:57 p.m.
No announcement concerning action(s) taken in closed session was made.

OTHER INFORMATION/MATTERS

None

ADDITIONAL DIRECTORS' COMMENTS

There were no additional Directors' comments received.

ADDITIONAL GENERAL MANAGER COMMENTS

There were no additional General Manager comments received.

END ACTION CALENDAR

ADJOURNMENT

President Safranski adjourned the October 16, 2019 Regular Board meeting at 8:58 PM.