



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | DECEMBER 20, 2017

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Acosta 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 Glenn Acosta
Vice President Michael Safranski
Director Don Chadd
Director Edward Mandich
Director Stephen Dopudja

STAFF PRESENT

Hector Ruiz, General Manager
Michael Perea, District Secretary
Lorrie Lausten, Principal Engineer
Karen Warner, Senior Accountant
Lisa Sangi, Administrative Assistant
Jason Stroud, Maintenance Superintendent

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 Chadd led the Board and District staff in the pledge of allegiance.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

DIRECTOR'S COMMENTS

Director Chadd reported on his attendance at the Santiago Aqueduct Commission (SAC) Meeting, and commended Irvine Ranch Water District (IRWD) for their work related to the SAC. Director Chadd mentioned that the meeting was well attended, and that the SAC received a clean audit from its Auditors. Director Chadd added that there was discussion concerning the future incorporation of the SAC into the Baker Agreement. Director Chadd reported that the South Orange County Agencies' Group will be meeting in January 2018 at the District's Administrative Facility, and that he would be meeting with District staff to develop the meeting

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agenda. Director Chadd reported on his attendance at the Association of California Water Agencies (ACWA) Conference, and mentioned that Mr. Steve LaMar was elected the ACWA Vice President.

Vice President Safranski had no comments.

Director Dopudja had no comments.

Director Mandich had no comments.

President Acosta wished a Happy Holidays to all in attendance. President Acosta reported on his attendance at the City of San Clemente City Council Meeting, and mentioned that the City Council approved the Agreement with the District for the sale of excess/unused Baker Water Treatment Plant (BWTP) water. President Acosta expressed his appreciation for District staff's great work during 2017.

REPORT FROM THE GENERAL MANAGER

Mr. Ruiz reported that the District held its Employee Holiday Lunch earlier that day, and that he provided President Acosta's letter of appreciation to District staff in attendance.

Mr. Ruiz reported the results of the Municipal Water District of Orange County Election of Officers, and mentioned that Director Brett Barbre was elected Board President.

Mr. Ruiz reported the results of the City of Rancho Santa Margarita City Council Election of Officers, and mentioned that Mr. Michael Vaughan was elected Mayor, and that Mr. Jerry Holloway was elected Mayor Pro Tem.

ITEMS TOO LATE TO BE AGENDIZED

Mr. Ruiz commented that there were no items too late to be agendized.

CONSENT CALENDAR

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

Action: A motion was made by Director Dopudja and seconded by Vice President Safranski to approve the Consent Calendar Item Nos. 1 - 5.
The motion carried 5- 0.

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 6: ELECTION OF BOARD OFFICERS

Mr. Ruiz commented that pursuant to the District's General Policy and Rules and Regulations, the annual election for the offices of President and Vice President were to be held.

OFFICE OF PRESIDENT

Mr. Ruiz opened the nominations for the Office of President. Director Safranski nominated Director Acosta for the Office of Board President. Director Chadd seconded the nomination of Director Acosta for the Office of President. There were no other nominations for the Office of President.

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Action: Mr. Ruiz called for votes in favor of Director Acosta for the Office of President. Votes were cast orally, and Director Acosta was voted for the Office of President with a 5 – 0 vote.

OFFICE OF VICE PRESIDENT

Mr. Ruiz opened the nominations for the Office of Vice President. President Acosta nominated Director Safranski for the Office of Vice President. Director Chadd seconded the nomination of Director Safranski for the Office of Vice President.

Action: Mr. Ruiz called for votes in favor of Director Safranski for the Office of Vice President. Votes were cast orally, and Director Safranski was voted for the Office of Vice President with a 5 – 0 vote.

ITEM 7: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING CALENDAR YEAR 2018 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS

Mr. Ruiz presented this matter for Board consideration, and mentioned that the enclosed staff report shows the current Committee Appointments and Agency Representative Assignments. Discussion occurred concerning assignments for Calendar Year 2018, and during the discussion, President Acosta made the following assignments:

DISTRICT STANDING COMMITTEES	CHAIR	MEMBER	ALTERNATE
Engineering/Operational Committee	Mandich	Dopudja	Chadd
Executive Committee	Safranski	Acosta	None
Finance/Audit Committee	Chadd	Acosta	Safranski
AD HOC COMMITTEES	CHAIR	MEMBER	ALTERNATE
District Property Ad Hoc Committee	Dopudja	Chadd	None
Personnel Policy Ad Hoc Committee	Acosta	Dopudja	None
MEMBER AGENCY REPRESENTATIVE ASSIGNMENTS	TITLE	PRIMARY	SECONDARY THIRD
Association of California Water Agencies	Director	Safranski	None
Baker Water Treatment Plant Project Committee	Member	Ruiz	Dopudja
California Special Districts Association	Delegate	Acosta	None
Independent Special Districts of Orange County	Member	Chadd	Dopudja
Santiago Aqueduct Commission	Commissioner	Chadd	Mandich
South Orange County Wastewater Authority Board	Director	Dopudja	Mandich Ruiz
South Orange County Wastewater Authority Engineering Committee (Staff)	Staff Member	Lausten	Ruiz
South Orange County Water Agencies	Liaison	Chadd	Ruiz
South Orange County Watershed Management Area Executive Committee	Member	Mandich	Chadd
ORGANIZATION REPRESENTATIVE ASSIGNMENTS	TITLE	PRIMARY	SECONDARY
American Water Works Association	Liaison	Ruiz	None
City of Santa Margarita City Council Meeting No. 1	Liaison	Mandich	Chadd
City of Santa Margarita City Council Meeting No. 2	Liaison	Chadd	Safranski
Local Agency Formation Commission	Liaison	Ruiz	Chadd
Municipal Water District of Orange County Board	Liaison	Dopudja	None
Water Advisory Committee of Orange County	Member	Acosta	None

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Action: President Acosta assigned the Committee Appointments and Agency Representative Assignments for Calendar Year 2018.

ITEM 8: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT'S PERSONNEL POLICY

Mr. Ruiz provided a status update on this matter, and mentioned that District staff worked with General and Special Legal Counsel to finalize the revisions to the DRAFT Proposed District Personnel Policy since this matter was reviewed with the Personnel Policy Ad Hoc Committee, and then, with Board at the November 15, 2017 Regular Board Meeting. Mr. Ruiz reviewed the Summary of Changes, Updates, and Revisions to the 2012 Personnel Policy (exhibit) with the Board, which included the following highlights:

Section 1 – Employment – Pre-Employment Testing

Mr. Ruiz reported that this section was revised to comport with State Law language related to Pre-Employment Testing requirements.

Section 5 - Policy Against Violence in the Workplace

Mr. Ruiz mentioned that this was a new section added to the Personnel Policy based on recommendation by Special Legal Counsel.

Section 7 – Disciplinary Action

Mr. Ruiz mentioned that this section was updated to include the use of a Hearing Officer at the direction and discretion of the Board of Directors to facilitate the disciplinary appeal process.

Section 12 – Review Committee Procedures Regarding Claims and Complaints Against the General Manager

Mr. Ruiz mentioned that this was a new section added at the request of the Ad Hoc Committee to address complaints, and similar matters, concerning the District's General Manager. Discussion occurred concerning the proposed process for notification to the Board of Directors as described in the section. Vice President Safranski expressed concern that the Board President is notified only, and the Vice President is notified in absence of the Board President. President Acosta suggested revising the process language to include that the initial notification to both the Board President and Vice President. Director Mandich and Vice President Safranski supported this revision.

Section 13 – Fitness for Duty and Reasonable Accommodation Policy

Mr. Perea mentioned that this section was reviewed and revised by the Association of California Water Agencies Joint Powers Authority (ACWA JPIA), the District's insurer.

President Acosta expressed his appreciation to Director Dopudja for his work on the Ad Hoc Committee, to General and Special Legal Counsel, and to District staff for their participation in the revision process of the District's Personnel Policy.

Action: A motion was made by President Acosta and seconded by Director Dopudja to adopt Resolution No. 2017-1247 – Resolution of the Board of Directors of Trabuco Canyon Water District Adopting Updated District Personnel Policy, Making Related Findings and Taking Related Actions, subject to the changes in Section 12 as noted by the Board of Directors.
The motion carried 5- 0.

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ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING GENERAL LEGAL COUNSEL SERVICES

Mr. Ruiz presented this matter for discussion, and mentioned that Mr. Alexander Bowie has notified District staff by letter (exhibit) that the attorneys with Bowie, Arneson, Wiles (BAW) Law Firm will be joining the law firm Atkinson, Andelson, Loya, Ruud, and Romo, PLC (AALRR) effective January 1, 2018. Mr. Anslow expressed BAW's long-term confidence in the firm, and briefly reviewed the proposed Agreement for General Legal Counsel Services for Board review. Director Chadd asked about AALRR's staffing levels and the planned support staff for the District; Mr. Anslow reported that AALRR's currently employs 182 attorneys, as opposed to the 7 attorneys at BAW, and that both he and Mr. Jeff Hoskinson will continue to provide support to the District. President Acosta asked about the rates and charges at AALRR in comparison to BAW; Mr. Anslow mentioned that the rates will remain the same, although there may be a modest increase later in the year.

Action: A motion was made by Director Chadd and seconded by Director Dopudja to authorize the General Manager to contract with Atkinson, Andelson, Loya, Ruud, and Romo, PLC for General Legal Counsel Services effective as of January 1, 2018.
The motion carried 5- 0.

ITEM 10: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TEMPORARY SECURITY AND FACILITY MONITORING SERVICES OF TRABUCO CANYON WATER DISTRICT FACILITIES AND PROPERTIES

Mr. Ruiz presented this matter for discussion, and mentioned that this matter was an approved budgeted item for Fiscal Year 2017/2018. Mr. Ruiz reviewed the facilities that require security and monitoring services, and briefly reviewed recent incidents of vandalism, unlawful entry, and damages. Mr. Ruiz reported that District staff requested bids from eight security companies, and provided a handout which compared the four received bids. Mr. Ruiz recommended that the District contract with Citiguard, Inc. for Security and Facility Monitoring Services of District facilities on a monthly basis based on the proposed costs. Mr. Ruiz briefly reviewed the company information provided by Citiguard, and highlighted the proposal costs for security monitoring services. Discussion occurred concerning the disparity of costs between bids and concerns regarding the quality of service; Mr. Ruiz commented that District staff will review the quality of security monitoring service by Citiguard on a monthly basis, and will make a recommendation of continuing contract services after a six-month period. Discussion occurred concerning District staff efforts to secure District facilities and properties, Porter Property in particular; Mr. Ruiz mentioned that Mr. Stroud currently performs property inspections on a monthly basis to ensure that onsite signage is intact, and to report of any trespassing or vandalism violations. Discussion occurred concerning past trespassing and vandalism issues and the challenges associated with the terrain at Porter Property. Director Chadd expressed concern with the low monthly charge for security monitoring services and cautioned that the lower rate may impact the overall quality of services.

Action: A motion was made by Vice President Safranski and seconded by President Acosta to authorize the General Manager to contract with Citiguard, Inc. for Security and Facility Monitoring Services of Trabuco Canyon Water District Facilities for a not to exceed amount of \$36,000.
The motion carried 5- 0.

ITEM 11: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA)

Mr. Ruiz presented this matter for discussion, and mentioned that Director Dopudja was prepared to update the Board. Director Dopudja reported that he delivered his presentation on the potential impacts of a proposed budget structure to the General Fund allocation of the South Orange County Wastewater Authority (SOCWA),

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and mentioned that the scope of the proposal was expanded to reflect potential changes to the Administrative Budget. Director Dopudja briefly related the comments and concerns received from the member agencies, and mentioned that there was discussion concerning the review of the Joint Powers Agreement to address current challenges and possible future changes in member agency participation.

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

ENGINEERING MATTERS

ITEM 12: DAHLIA COURT DEVELOPMENT (36 DWELLING UNITS)

Mr. Ruiz provided a status update on this development, and mentioned that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that the developer has completed ornamental road improvements to the entry to the development which necessitated the relocation of select water meters, which was not included in the original development plans. Ms. Lausten added that District staff worked with DMc Engineering and the developer to prepare the Grants of Easement related to the limitations to the surface replacement due to future pipeline repairs and the relocation of the water meters. Discussion occurred concerning the fiscal impact; Ms. Lausten responded that any fiscal impact will be reimbursed by the developer.

Action: A motion was made by Director Dopudja and seconded by Vice President Safranski for the following:

1. Accept the Grant of Easement to the Trabuco Canyon Water District by William Lyon Homes, for Meter Relocations, and authorize the District Secretary to execute Certificate of Acceptance of said Grant of Easement.
2. Accept the Grant of Easement to the Trabuco Canyon Water District by William Lyon Homes, for Limits to Surface Replacement Due to Pipeline Repair by Trabuco Canyon Water District, and authorize the District Secretary to execute Certificate of Acceptance of said Grant of Easement.

The motion carried 5- 0.

ITEM 13: DIMENSION WATER TREATMENT PLANT TRUCK DELIVERY ACCESS IMPROVEMENTS

Mr. Ruiz presented this matter for discussion, and mentioned that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten briefly discussed the existing challenges with the ingress and egress at the Dimension Water Treatment Plant (DWTP), and reviewed the Project Site Map with the Board. Ms. Lausten presented the Project Proposal Evaluation (exhibit) for Board review, and recommended Adams Streeter Civil Engineers for the design of the DWTP Truck Delivery Access Improvements Project. Ms. Lausten added that District staff will work with the City of Lake Forest prior to their planned street work improvements in spring 2018. Vice President Safranski asked about the project total budget, in particular the cost of design relative to construction; Ms. Lausten commented that the total approved budget was \$150,000. Discussion occurred concerning construction management and inspection costs.

Action: A motion was made by Director Dopudja and seconded by Director Mandich to authorize the General Manager to contract with Adams Streeter Civil Engineers for the design of the Dimension Water Treatment Plant Truck Delivery Access Improvements Project for a not to exceed amount of \$49,977.

The motion carried 5- 0.

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ITEM 14: BAKER WATER TREATMENT PLANT

Mr. Ruiz provided a status update on this project, and mentioned that the City of San Clemente City Council approved the Agreement with the District for the sale of unused/excess Baker Water Treatment Plant Water at their December 5, 2017, City Council Meeting. Mr. Ruiz added that this item will no longer be a recurring agenda item at future Regular Board Meetings, and will be agenda item as needed. President Acosta suggested that District staff include an article on this significant agreement between the two agencies in the next On Tap Newsletter. Director Chadd congratulated Mr. Ruiz on the accomplishment.

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

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

ITEM 15: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING STATEWIDE DROUGHT CONDITIONS, STATE WATER RESOURCES CONTROL BOARD (SWRCB) DROUGHT REGULATIONS, AND TCWD WATER CONSERVATION MEASURES/ACTIONS

Mr. Ruiz provided a status update concerning this matter, and commented there was no action required. Mr. Ruiz commented that the item will no longer be a recurring agenda item at future Regular Board Meetings, and will be agenda item only if action by the Board is required. Mr. Ruiz reported that the District's water demand for the November 2017 was one percent greater in comparison to the same month in 2013 due to the impacts of construction water required by of the new development projects in the District's service area.

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

ITEM 16: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Ruiz reported that District staff will be attending the Orange County Local Agency Formation Commission (OC LAFCO) Municipal Service Review Stakeholder Meeting for the Southwest Region scheduled for Thursday, January 11, 2018. Director Chadd commented that it was important for District staff to attend the meeting.

Action: There was no action taken.

OTHER INFORMATION/MATTERS

There was no other information or matters presented.

CLOSED SESSIONS

The Board of Directors, through President Acosta recessed the Open Session portion of the Meeting at 8:32 PM.

The Board met in Closed Session as set forth in the Meeting Agenda.

The Board, through President Acosta, reconvened the Open Session of the Meeting at 9:50 PM.

ITEM 17: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Action: The Board of Directors met with General Legal Counsel and the District's South Orange County Wastewater Authority (SOCWA) Representative, and received information concerning the matter. There were no other announcements made at that time.

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**ITEM 18: DISCUSSION AND POSSIBLE ACTION RELATED TO THE GENERAL MANAGER'S SERVICE AGREEMENT
AND YEAR END PERFORMANCE EVALUATION**

Action: The Board of Directors met with the General Manager as set forth in the agenda.
A motion was made by Director Chadd and seconded by Vice President Safranski to increase the General Manager's annual salary to \$210,000 for a one-year extension of his service agreement subject to quarterly review in regard to goals established in Closed Session.
The motion carried 5- 0.

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 Acosta adjourned the December 20, 2017, Regular Board meeting at 9:52 PM.