



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | JULY 18, 2018**

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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. Robert Anslow, Assistant District Secretary, transcribed the minutes thereof.

### **DIRECTORS PRESENT**

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

### **DIRECTORS ABSENT**

None

### **STAFF PRESENT**

Michael Perea, Interim General Manager/District Secretary  
Lorrie Lausten, Principal Engineer  
Karen Warner, Senior Accountant  
Lisa Sangi, Administrative Assistant

### **DISTRICT CONSULTANTS PRESENT:**

Rob Anslow, District General Legal Counsel (Atkinson, Andelson, Loya, Ruud & Romo)/Assistant District Secretary  
Cindy Byerrum (Platinum Consulting), District Treasurer

### **PUBLIC PRESENT**

There were no members of the public present.

### **PLEDGE OF ALLEGIANCE**

Director Safranski 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 noted that the South County Agencies working group meeting would be held at the District headquarters in the following week. He briefly discussed some of the Local Agency Formation Commission ("LAFCO") issues that would be pending relative to the Municipal Service Review process being undertaken by LAFCO as it affects South County agencies.

Director Safranski noted that the Moulton Niguel Water District (“MNWD”) is currently in the process of rebuilding their administrative facilities.

Director Mandich briefly reported on a meeting involving District personnel and the Dove Canyon Master Association relative to property and security issues including security arrangements for the District’s Dove Dam facilities and Dove Lake properties.

President Acosta reported on the California Special Districts Association (“CSDA”) Leadership Academy which he attended.

**REPORT FROM THE INTERIM GENERAL MANAGER**

Mr. Perea indicated that there had been an update to the Director’s fees and reimbursements which would be added to Item 4 on the Consent Calendar.

Mr. Perea reported on the meeting between District staff, Board members and the Dove Canyon Master Association relating to the District’s Dove Lake property security and the District’s ongoing Capital Improvement Projects (“CIP”) as they affect the Dove Canyon area.

Mr. Perea reported on the progress of exercising and testing District valves at various locations noting that the failure and replacement rate for broken valves was currently very low.

Mr. Perea indicated that the Association of California Water Agencies (“ACWA”) Fall Conference registration was open for Board members who wish to attend.

**ITEMS TOO LATE TO BE AGENDIZED**

Mr. Perea stated 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 Chadd, and seconded by Director Safranski, to approve the Consent Calendar with the exception of Item 4. There was no further discussion. The motion carried 5 – 0.

Mr. Perea presented a revised listing relative to Board tentative future meetings and attendance for action under Item 4 under the Consent Calendar.

**Action:** A motion was made by Director Chadd, and seconded by Director Dopudja, to approve the ratification of Director’s fees and expenses, and tentative future meetings/attendance, as amended. There was no further discussion. The motion carried 5 – 0.

## **ACTION CALENDAR**

### **FINANCIAL MATTERS**

#### **ITEM 5: PUBLIC HEARING FOR THE CONSIDERATION OF APPROVAL OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2018/2019 UNDEVELOPED LAND/WATER STANDBY CHARGES**

Mr. Perea presented the staff report regarding the proposed fiscal year 2018/2019 Undeveloped Land/Water Standby Charges commenting that notice of the proposed Standby Charges and of the public hearing had been provided to the affected property owners by mail and notice had also been posted, published and presented on the District's website. The Standby Charge Report had been prepared by NBS Engineering and was available for public review. Following the completion of the staff report President Acosta opened the public hearing to receive public comments relating to the proposed adoption of the proposed TCWD 2018/2019 Standby Charges at 7:16 p.m. It was noted that no written comments had been received and no public comments were presented to the Board during the public hearing. The public hearing was closed by President Acosta at 7:17 PM.

**Action:** A motion was made by Director Mandich, and seconded by Director Safranski, to adopt Resolution No. 2018-1256 – Resolution of the Board of Directors of the Trabuco Canyon Water District Establishing Water Standby Charges for the Fiscal Year 2018/2019; Making Certain Findings and Taking Related Actions in Connection Therewith. There was no further discussion. The motion was carried 5 – 0 by roll call vote.

#### **ITEM 6. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT'S 2018 WATER RATE STUDY**

Mr. Perea reviewed and discussed the District's proposed 2018 water rate study activities including a number of individual items. These included: (i) review of the Temporary Rate Stabilization Charge ("TRSC"), (ii) review of the Water Reliability Emergency Storage Charge ("WRESC") and (iii) preparing water rate studies for the Plano service area and the Portola Hills service area.

Mr. Perea noted that the Plano service area review involved the District's management of Recycled Water and Reclaimed Water and that the review would involve an allocation of water service availability and potential changes to water district rates for Recycled Water and Reclaimed Water. This is a longer-term project and will probably extend into calendar year 2019.

Mr. Perea noted that the TRSC was intended as a temporary charge in order to stabilize District revenues in light of the State's drought circumstances. Given the State's suspension of the drought emergency conditions and the current status of District finances, staff anticipates bringing back to the Board action to suspend collection of the TRSC at some point during the remaining months of 2018.

With regard to the WRESC, Mr. Perea noted that certain areas of the District (in particular the Portola Hills development area) was differently situated than the remainder of the District in terms of service reliability and water supply. Mr. Perea indicated that the WRESC would be reviewed by District staff, legal and finance consultants in the near future and recommendations for action(s) relative to potential adjustments of this Charge would be forthcoming.

Mr. Perea shared with the Board the proposed schedule of events with respect to water rates and charges applicable to the Portola Hills service area and the anticipated changes in the District's rate structure for that area. The proposed actions were discussed with the Board.

**Action:** The Board provided direction to District staff and consultants to proceed with the review of the rates and charges for the Portola Hills service area and provide communication to the District customers in that area along the lines discussed with the Board.

**ENGINEERING MATTERS**

**ITEM 7. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING DOVE AND ROBINSON RANCH RECYCLED WATER PUMP STATIONS REHABILITATION PROJECT**

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Mr. Perea discussed the review conducted by the District (including review by the District’s Engineering and Operations Committee) concerning the pump stations rehabilitation project. Mr. Perea outlined the potential effects of possible restoration and rehabilitation efforts as well as a brief review of options for facilities and services rendered by the District serviced by those facilities.

**Action:** A motion was made by Director Dopudja, and seconded by Director Chadd, to authorize the Interim General Manager to execute a contract with JIG Consultants to update the Dove Canyon/Robinson Ranch Pump Station Rehabilitation Technical Memorandum in the amount of \$15,000. There was no further discussion. The motion was approved by a vote of 5 – 0.

**ITEM 8. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT’S 2018 TRABUCO CREEK WATERSHED SANITARY SURVEY UPDATE**

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Mr. Perea discussed the Watershed Sanitary Survey Update that had been prepared during the first part of 2018. Mr. Perea noted that although the District wells are not currently in service that the Sanitary Survey was still required. He noted that the filing deadline had passed as of June 30 but that in conversations with the Division of Drinking Water, the Division staff had not objected to the District presenting its adopted/approved Survey Update during July of 2018.

**Action:** A motion was made by Director Safranski, and seconded by Director Dopudja, to authorize the Interim General Manager to submit the 2018 Trabuco Creek Watershed Sanitary Survey Update to the State Water Resources Control Board, Division of Drinking Water. There was no further discussion. The motion was approved by a vote of 5 – 0.

**ITEM 9. SADDLE CREST DEVELOPMENT (65 DUs / WSL)**

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Principal Engineer Laurie Lausten provided a status update report on the facilities construction progress by the developer and the developer’s contractors, including progress on the sewer facilities and water reservoir.

**Action:** No action was taken on this item. Informational presentation only.

**LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS**

**ITEM 10. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2018 BOARD OF DIRECTORS ELECTION**

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Mr. Perea provided the Board with candidate information provided by the California Special Districts Association (CSDA) 2018 Board of Directors Election. The Board President is the representative to CSDA for voting in such election. Mr. Perea also noted that there was a new electronic method for CSDA members for voting for the Board of Directors election. After discussion about the candidates, Board direction was that the Board President would vote for Joe McKenzie.

**Action:** After discussion about the candidates, Board direction was that the Board President would vote for Jo McKenzie.

**ITEM 11. LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

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Mr. Perea provided a brief update with regard to presentations made to the Orange County LAFCO Board regarding the reorganization of the City of San Juan Capistrano's water and sewer services and noted that presentations had been made to LAFCO by Santa Margarita Water District, Moulton Niguel Water District and South Coast Water District.

Mr. Perea also provided a brief report regarding the Orange County WEROC anticipated disaster simulation exercise in which it is anticipated District personnel may participate.

**Action:** No action was taken on this item. Informational presentation only.

**CLOSED SESSION**

**CLOSED SESSION NO. 1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GOVERNMENT CODE SECTION 54957  
TITLE: INTERIM GENERAL MANAGER**

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The Board of Directors, through Vice President Safranski recessed the Open Session portion of the Meeting at approximately 8:10 PM.

The Board met in one Closed Session as set forth in the Meeting Agenda with the Interim General Manager (for a portion of the Closed Session) and with District General Legal Counsel.

The Board, through Vice President Safranski, reconvened the Open Session of the Meeting at 9:05 PM.

**ITEM 12. REPORT OF ACTION(S) TAKEN IN CLOSED SESSION**

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Mr. Anslow reported that the District had conducted a single closed session as set forth in the Agenda. The District Board had met with the Interim General Manager and District General Legal Counsel as part of this closed session. No other announcement was made.

**OTHER INFORMATION/MATTERS**

There was no other information or matters presented.

**ADDITIONAL DIRECTORS' COMMENTS**

There were no additional Director comments received.

**ADDITIONAL ACTING (INTERIM) GENERAL MANAGER COMMENTS**

There were no additional Interim General Manager comments received.

**END ACTION CALENDAR**

**ADJOURNMENT**

President Acosta adjourned the July 18, 2018, Regular Board meeting at 9:07 PM.