



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | JANUARY 16, 2019**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) conducted on January 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. Robert Anslow, Assistant 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**

Michael Perea, Interim General Manager/District Secretary  
Lorrie Lausten, Principal Engineer  
Lisa Carmouche, Administrative Assistant  
Jason Stroud, Maintenance Superintendent

### **DISTRICT CONSULTANTS PRESENT:**

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

### **PUBLIC PRESENT**

No members of the public were present.

### **PLEDGE OF ALLEGIANCE**

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

### **VISITOR PARTICIPATION**

No visitor participation was received.

### **ORAL COMMUNICATION**

No oral communication was received.

### **RECESS & RECONVENE**

President Safranski recessed the meeting of the Board of Directors of the Trabuco Canyon Water District in order to conduct the meetings of the governing boards of the Trabuco Canyon Improvement Corporation ("Corporation") and Trabuco Canyon Public Financing Authority ("Authority") at 7:02 PM.

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Following completion of the Corporation and Authority board meetings, the meeting of the Board of Directors of the Trabuco Canyon Water District was re-convened at 7:06 PM.

**DIRECTOR'S COMMENTS**

There were no Director's comments submitted at this point in the meeting.

**REPORT FROM THE INTERIM GENERAL MANAGER**

Mr. Perea provided a briefing on the effects of the recent rain events noting that water storage levels in Dove Lake have risen significantly and that the District is close to being able to turn on the Rose and Lang Wells and the Groundwater Treatment Facility.

**ITEMS TOO LATE TO BE AGENDIZED**

Mr. Perea noted that there were no items received 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. Director Mandich noted some corrections which needed to be made to the Director compensation/reimbursement listings as applicable to his Director meetings.

**Action:** A motion was made by Director Acosta, and seconded by Director Mandich, to approve the Consent Calendar as revised. There was no further discussion.  
The motion carried 5 – 0.

**ACTION CALENDAR**

**ADMINISTRATIVE MATTERS**

**ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING CALENDAR YEAR 2019 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS**

Interim General Manager, Mr. Michael Perea, provided a listing of the current Committee Assignments and Agency Representative Assignments for Board members and staff. A copy of the Assignments Table is attached to these Minutes as Attachment "A." There was Board discussion with regard to individual assignments resulting in a final listing of Committee Appointments and other Agency Representative Assignments. The final version of the table is attached hereto as Attachment "A."

**Action:** Following Board discussion, President Safranski provided direction for the Committee Appointments and other agency representative assignments as set forth in Attachment "A."

**ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING DISTRICT TREASURER'S ANNUAL STATEMENT OF INVESTMENT POLICY**

Interim General Manager, Mr. Michael Perea, introduced the proposed District Treasurer's Annual Statement of Investment Policy indicating that there had been no significant changes to statutory requirements in the prior year. General Legal Counsel, Mr. Robert Anslow, confirmed that there had been no significant statutory changes to the investment requirements for public agencies, also noting that the statutes require the Board of Directors to annually provide delegation of authority to the District's Treasurer to be able to undertake investments of District funds subject to Board and District oversight.

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**Action:** Motion made by Director Mandich, seconded by Director Dopudja, to adopt **Resolution No. 219-1263** "Resolution of the Board of Directors of the Trabuco Canyon Water District Adopting District Treasurer's Annual Statement of Investment Policy." There was no further discussion.  
The motion was carried 5 – 0 on a roll call vote.

**ITEM 7: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING PORTOLA HILLS SERVICE AREA ZONE RATES AND CHARGES**

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Interim General Manager, Mr. Michael Perea, introduced this Item to the Board. Mr. Perea noted that the Irvine Ranch Water District ("IRWD") had changed its wholesale service rates applicable to the Portola Hills Service Area Zone in late 2018 changing the domestic rate from \$1.90 per ccf to \$2.44 per ccf. A table describing the IRWD charge adjustments was provided to the Board for consideration. There was Board discussion on the scheduling of pass-through on the charge adjustments in conformance with Proposition 218 and State law and anticipated action on District overall rate reviews coming during 2019.

**Action:** Motion made by Director Chadd, seconded by Director Mandich, to direct TCWD staff to proceed with the preparation of a notice of changes to rates and charges applicable to the Portola Hills Service Area Zone, and take related actions for Board consideration of approval at the regular February Board meeting. Following the motion there was additional discussion and direction was provided to District staff to additionally provide a separate discussion relative to the basis for the rates for Board consideration at the February Board meeting. Following Board discussion, the motion carried 4 – 1 with Director Acosta voting against the motion.

**ITEM 8. DISCUSSION AND POSSIBLE ACTION(S) CONCERNING SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) JOINT POWERS AGREEMENT AMENDMENT(S)**

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Interim General Manager, Mr. Michael Perea, initiated discussion relative to the South Orange County Wastewater Authority ("SOCWA") recent Board meeting and proposed amendments to the SOCWA Joint Powers Agreement ("JPA"). Mr. Perea provided the proposed letter to SOCWA based upon the Board direction provided in December. General Legal Counsel noted that action by SOCWA on the proposed JPA amendments was currently stayed pending court judgment in the Project Committee ("PC") 15 litigation.

Mr. Perea also discussed the recent meeting of the SOCWA Board addressing the matter of the Coastal Treatment Plant, the Treatment Plant's current status, and anticipated SOCWA actions in that regard.

Director Dopudja commented on the status of SOCWA PC 15 and the PC 15 Facilities. In response to Director Dopudja's comments, General Legal Counsel, Mr. Robert Anslow, provided a brief outline of the SOCWA PC 15 liabilities and indemnity responsibility in light of the current litigation situation, the Coastal Treatment Plant status, and potential impacts on non-PC 15 SOCWA member agencies.

**Action:** No action was taken on this matter.

**ENGINEERING MATTERS**

**ITEM 9. SADDLE CREST DEVELOPMENT DOMESTIC WATER RESERVOIR CONSTRUCTION UPDATE**

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Interim General Manager, Mr. Michael Perea, introduced the Saddle Crest Development Domestic Water Reservoir Construction Update matter to the Board. He noted that the matter had previously been presented to

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the District’s Engineering and Operations Committee. Principal Engineer, Ms. Laurie Lausten, provided an update to the Board concerning the reservoir construction, commenting on construction process, inspection and the form in which the Tank would take. There was discussion relative to the design of the Reservoir roof design noting that a potential change to the roof design might be utilized for reduction of future maintenance and renovation costs. Ms. Lausten responded to Director questions and indicated that she would be returning with additional information on this matter at a future Board meeting.

**Action:** No action was taken on this matter.

**LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS**

**ITEM 10. LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

Mr. Perea commented on the proposed Municipal Water District of Orange County (“MWDOC”) and Moulton-Niguel Water District (“MNWD”) Groundwater Basin Storage Agreement and Feasibility Study. He noted that other agencies are providing input relative to the proposed Storage Agreement and the potential impacts on South Orange County water agencies.

Mr. Perea reported that the District received awards from the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) related to the District’s performance in Property and Liability Insurance Pools.

**Action:** No action was taken on this matter.

**CLOSED SESSION(S)**

**CLOSED SESSION NO. 1 – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

**Government Code Sections 54957(b) & 54954.5(e)**

**POSITION – INTERIM GENERAL MANAGER**

The Board of Directors met in closed session with the District’s Interim General Manager and General Legal Counsel regarding public employee performance evaluation (Interim General Manager position) pursuant to California Government Code Sections 54957(b) and 54954.5(e).

**CLOSED SESSION NO. 2 – CONFIDENTIAL INFORMATION – PUBLIC EMPLOYMENT TRABUCO CANYON WATER DISTRICT – GENERAL MANAGER POSITION**

The Board of Directors met in closed session with the District’s General Legal Counsel regarding Trabuco Canyon Water District – General Manager Position pursuant to California Government Code Sections 54957(b) and 54954.5(e).

**ITEM 11: REPORT OF ACTION(S) TAKEN IN CLOSED SESSIONS**

The Board reconvened in open session at 8:29 p.m.

No announcement concerning action(s) taken in closed session was made.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

There were no items received too late to be agendized.

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**OTHER INFORMATION/MATTERS**

Mr. Perea noted that the County had closed Trabuco Canyon Road due to current rain and mud conditions.

**ADDITIONAL DIRECTORS' COMMENTS**

Director Chadd raised questions concerning water quality.

**ADDITIONAL INTERIM GENERAL MANAGER COMMENTS**

No additional Interim General Manager comments were submitted.

**END ACTION CALENDAR**

**ADJOURNMENT**

President Safranski adjourned the January 16, 2019, Regular Board meeting at 8:31 PM.

**ATTACHMENT "A"**

**FINAL LISTING OF COMMITTEE/OTHER AGENCY REPRESENTATIVE ASSIGNMENTS**