



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | NOVEMBER 20, 2019

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on November 20, 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)
Cindy Byerrum, District Treasurer (Platinum Consultants)

PUBLIC PRESENT

There were members of public present.

PLEDGE OF ALLEGIANCE

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

ITEMS TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

Mr. Peter Horvath, Dove Canyon resident, addressed the Board and expressed his concerns regarding the Bell Canyon Sewer Lift Station Improvement Project. Mr. Horvath requested updates from District staff concerning the planned improvements, including a rendering of planned improvements to the facility. The Board directed District staff to remain in contact with Mr. Horvath concerning the ongoing planned facility improvements.

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Mr. Ric Heard, Dove Canyon resident, addressed the Board concerning the proposed Paloma Square development, and he reported that a petition had been circulated in the Dove Canyon community opposing the rezoning.

ORAL COMMUNICATION

No oral communication was received.

DIRECTOR'S COMMENTS

President Safranski and the Board of Directors recognized Mr. Michael Perea, Assistant General Manager, for his services to the District as Interim General Manager during the transition period and recruitment of the District's new General Manager. Mr. Perea expressed his appreciation to the Board for acknowledging and supporting his efforts during the transition period.

Director Mandich reported on his attendance at the November 7, 2019 South Orange County Integrated Regional Watershed Management Area (SOCIRWMA) meeting, and he provided a brief update on certain grant-funded projects.

Director Dopudja provided a brief update on the recent District Properties' Ad Hoc Committee Meeting, and he reported that the Committee recommended the development of an updated District Emergency Response Plan which considered the impacts of natural disasters including fires, floods, and high wind events, as well subsequent impacts such as Southern California Edison (SCE) Public Safety Power Shutoffs (PSPS) Discussion occurred concerning SCE PSPS notification protocols.

President Safranski recommended that Committee updates be provided the respective Committee Chair at Regular Board Meetings. Discussion occurred concerning the manner of updates and placement on future agendas. The Board directed District staff to include Committee Chair updates in the Director Comments agenda item.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following on the following matters:

- The District received the President Special Recognition for Property and Liability Program from the District's insurer ACWA JPIA.
- Mr. Paludi extended an invitation to the Board to attend the District staff Thanksgiving Luncheon
- Mr. Paludi reported that District staff have received the District Properties' Ad Hoc Committee recommendation to prepare a scope of work and request for proposals for the development of an Emergency Response/Preparedness Plan update based on recent emergency responses to fires, floods, and increased debris flows in the District's service area. Mr. Paludi reported that proposals will be presented to the Board for consideration.

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 approve the presented Consent Calendar Items. There was no further discussion. The motion was approved by a vote of 5-0.

ADMINISTRATIVE MATTERS

ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE PROPOSED PALOMA SQUARE DEVELOPMENT (DOVE CANYON PLAZA)

Director Mandich recused himself from participating and voting on this item.

Mr. Paludi provided an update on this matter for the Board, 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 a proposal for the preparation of 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 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 and proposed methodology for determining the anticipated domestic water demand impacts of the proposed development. Mr. Paludi reported that the developer had submitted a revised rezoning and development proposal to the City of Rancho Santa Margarita. Discussion occurred concerning parking access and related concerns.

Action: A motion was made by Director Acosta and seconded by Director Chadd for the following items:

- 1) Authorize General Manager and District Staff Respond to the City of Rancho Santa Margarita concerning the William Lyon Homes updated rezoning and development application within 30 days.
- 2) Authorize General Manager and District Staff to procure proposals for the completion of a Traffic/Parking Study and an update to the District’s Emergency Response/Preparedness Plan.

The motion was approved by a vote of 4 - 1 with Director Mandich abstaining.

ITEM 7: 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 this matter was discussed with the Engineering/Operational Committee. Mr. Perea delivered a PowerPoint presentation which highlighted the Reclaimed Water Allocation Program (Program) adopted by the Board in 2007. Mr. Perea reviewed the adopted allocation methodologies using current customer data, and he highlighted the benefits of the Program as a non-domestic water source management policy. Discussion occurred concerning the use of wastewater contribution as a preferred method and basis of allocation of non-domestic water, and the existing contractual arrangement related to the Dry Season Recovery System with Santa Margarita Water District (SMWD); Mr. Anslow provided a brief review of the Dry Season Recovery System contractual terms. The Board directed District staff to review this matter more fully with the Engineering/Operational Committee to identify certain Program methodology criteria for improvement and/or revision consistent with water use efficiency practices.

Action: The Board recommended forwarding this matter to the Engineering/Operational Committee for review. The Board took no other action on this matter.

ITEM 8. 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 there was no update on the Joint Powers Agreement Amendment(s) process.

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Director Dopudja provided a brief update on the SOCWA Regular Board Meeting, and he provided an overview of a presentation concerning the Water Reuse Framework and Action Plan. Director Dopudja requested that District Staff provide copies of the materials to fellow Directors and General Legal Counsel.

Action: The Board took no action on this matter.

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 mentioned that District Staff had prepared a DRAFT Notice of Rate Adjustments for 2020 consistent with the District's 2015 Water, Wastewater, and Recycled Water Study. Discussion occurred concerning the potential impacts of the approved rate adjustments on the financial plan for the next five years. Mr. Paludi provided a brief update concerning the rate analysis efforts to date with Raftelis Financial Consultants (RFC) which included the critical analysis of the District's ten-year Capital Improvement Program, assessment of District systems, assets, and facilities, and a preliminary rate implementation timeline.

Action: A motion was made by Director Acosta, and seconded by Director Dopudja, to authorize District staff to move forward with the preparation and provision of Notice of Rate Adjustment (as approved in 2015) effective January 1, 2020.
The motion was approved by a vote of 5-0.

ENGINEERING MATTERS

ITEM 10: SADDLE CREST DEVELOPMENT (63 DUs)

Mr. Paludi presented this informational item for Board consideration. Ms. Lausten mentioned that the development does not have permanent electrical power from SCE to date. Ms. Lausten reported that the District has received its updated drinking water permit from the Division of Drinking Water.

Action: The Board took no action on this matter.

ITEM 11: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE URBAN WATER & STORMWATER RUNOFF CONVEYANCE STRUCTURE TO DOVE LAKE

Director Safranski recused from participating and voting on this item.

Mr. Paludi presented this matter for Board consideration, and he mentioned that District staff was currently working with Trabuco Highlands Community Association (THCA) representatives to update certain provisions of the agreement.

Action: The Board took no action on this matter.

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

ITEM 12. LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Paludi presented a brief update on certain meetings that he attended during the month and the following matters:

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- Mr. Paludi reported that he attended the OCLAFCO Regular Commission Meeting, and that he would be meeting with Executive Officer Carolyn Emory.
- Mr. Paludi reported that Municipal Water District of Orange County (MWDOC) General Manager Rob Hunter’s service contract was extended.
- The State Water Resources Control Board will implement permanent monthly reporting.
- The South Orange County Agencies’ Group Meeting was scheduled to be held at the District’s Administration Facility the following week.

Action: The Board took no action on this matter.

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 November 20, 2019 Regular Board meeting at 9:05 PM.