



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | DECEMBER 18, 2019

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on December 18, 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)
Michael Swan, PSOMAS Engineering

PUBLIC PRESENT

There were members of public present.

PLEDGE OF ALLEGIANCE

Rob Anslow led the Board, District staff, and audience in the Pledge of Allegiance.

ITEMS TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

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DIRECTOR'S COMMENTS

Director Acosta reported on his attendance at the Association of California Water Agencies (ACWA) 2019 Fall Conference Session and shared an update on a session concerning the Public Utilities Power Shutoff (PSPS). Discussion occurred concerning District's preparedness.

Director Chadd reported on his attendance at the ACWA 2019 Fall Conference, and he discussed electrical power shutoff session and the challenges with limited notification from electrical power providers.

Director Dopudja reported on his attendance at the ACWA 2019 Fall Conference, echoed remarks with respect to PSPS, and solar over producing.

Director Mandich reported on his attendance at the District's tour of the Santa Margarita Water District (SMWD) Trampas Recycled Water Reservoir Facility, and he expressed his appreciation to SMWD for providing the Board and District staff the opportunity to visit the site.

President Safranski commented on Southern California Edison's (SCE) new time of use (TOU) electrical charges and use periods, and he recommended that District staff work with SCE to review their current TOU charges.

REPORT FROM THE GENERAL MANAGER

Mr. Perea reported on the following matters:

- Mr. Robert Bargeron obtained his State Water Resources Control Board (SWRCB) Wastewater Operator I Certificate, and has been promoted from an Operator In Training to a Wastewater Operator Grade I.
- The District was a Toys for Tots drop off site through Friday, December 20, 2019.

Mr. Paludi reported on the following matters:

- City of Rancho Santa Margarita (RSM) City Council re-organization, and he mentioned that Mr. Jim Leach had been appointed to the Planning Commission.
- ACWA/JPIA Letter of Appreciation to the District for hosting Trench Safety Training Session which was made available to other JPIA member agencies.
- The District staff Christmas Luncheon would be held at the end of the week, and he extended a Happy Holidays to all in attendance.

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 Mandich, 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 5: ELECTION OF BOARD OFFICERS

Pursuant to the District's rules and regulations, General Manager, Mr. Fernando Paludi, took control of the gavel during the nominations and voting for President of the Board of Directors. Mr. Paludi requested nominations for the position of President of the TCWD Board of Directors.

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Action: A motion was made by Director Mandich, and seconded by Director Chadd, to elect Director Mike Safranski as President of the Board of Directors of TCWD. Following the motion Mr. Paludi requested any other nominations. There were no further nominations and the motion was approved by a vote of 5 – 0.

Motion made by Director Dopudja and seconded by Director Acosta to elect Director Don Chadd as Vice President of the Board of Directors of TCWD. There was no further discussion.

The motion was approved by a vote of 5 – 0.

ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO CALENDAR YEAR 2020 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS

Mr. Paludi provided the Board Members with the current listing of Board Member Committee Appointments and Agency Representative Assignments. Discussion occurred concerning Board Member preferences for various Committee appointments and assignments, but no further action was taken.

Action: Following Board discussion, President Safranski provided direction for the Committee Appointments and other agency representative assignments to remain in place. There was no other action taken.

ITEM 7: 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 District staff and General Legal Counsel prepared and submitted a letter to the City of Rancho Santa Margarita (City) Planning Commission and Planning Department staff with comments concerning the William Lyon Homes (WLH) Paloma Square Specific Plan (Plan). Mr. Anslow provided a hardcopy of the comment letter and a brief overview of the District’s comments contained in the letter for the Board. Discussion occurred concerning the existing reciprocal parking agreement as it relates to the two parcels and potential legal remedies at the District’s disposal in the event existing agreements and entitlements are not considered by the City.

Mr. Paludi presented the updated Sub-Area Master Plan (SAMP) proposal from PSOMAS Engineering, and he introduced Mr. Michael Swan to the Board. Mr. Swan provided an overview of the SAMP development and preparation process, and highlighted the key data necessary to provide water, sewer, and non-domestic water infrastructure upgrades necessary to meet the needs of the proposed development. Discussion occurred concerning the purpose of the SAMP and certain methodologies and calculations related to water and sewer demands.

President Safranski inquired as to the current status of the SAMP proposal; Ms. Lausten mentioned that the updated proposal would be provided to Hunsaker and Associates for review before the end of the week. Discussion occurred concerning the District’s process for approval on the preparation of SAMPs. Mr. Perea indicated that this proposal requires Board approval as the cost exceeds the General Manager’s signing authority. The Board directed District staff to provide SAMP proposal to Hunsaker and Associates consistent with District practice and to agendize at a future Regular Board Meeting for Board authorization to the General Manager.

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Mr. Paludi reported that District staff has issued a Request for Proposals for a Traffic/Parking Study, and he reported that District staff has received two (2) proposals for the work. Ms. Lausten provided a brief overview of the scope of work, and she mentioned that District staff was currently reviewing the proposals.

Action: The Board took no action on this matter.

ITEM 8: DISCUSSION, APPROVAL, AND CERTIFICATION OF TRABUCO CANYON WATER DISTRICT'S SEWER SYSTEM MANAGEMENT PLAN 2019 UPDATE

Mr. Paludi introduced this item for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Mr. Perea provided an overview of the Sewer System Management Plan (SSMP) 2019 Update, and he mentioned that the District's SSMP needs to be updated every five (5) years consistent with State Water Resources Control Board (SWRCB) regulatory requirements. Mr. Perea added that the SSMP update was prepared with input and guidance from neighboring agencies and South Orange County Wastewater Authority (SOCWA).

Action: A motion was made by Director Mandich, and seconded by Director Dopudja, to approve and certify Trabuco Canyon Water District's Sewer System Management Plan 2019 Update. There was no further discussion. The motion was approved by a vote of 5-0.

ITEM 9: 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 District staff attended the SOCWA Regular Board Meeting the prior week. Director Dopudja provided a brief update on matters discussed at the Regular Board Meeting, and he briefly highlighted the Joint Powers Agreement Amendment progress to date.

Action: The Board took no action on this matter.

ITEM 10: 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 review, and he mentioned that District staff, including General Legal Counsel and the District Treasurer, has been participating in weekly conference call meetings with Raftelis Financial Consultants (RFC) to review the rate development process. Mr. Paludi reported that District staff were currently working with RFC to prepare the proposed financial plan for Board review at a future Special Board Meeting Rate Workshop in late-January 2020. Discussion occurred concerning rate implementation timeline sensitivity and the importance to present different rate scenarios for Board consideration.

Action: The Board took no action on this matter.

ENGINEERING MATTERS

ITEM 11: RIDGELINE BOOSTER PUMP STATION IMPROVEMENTS AND CAPACITY INCREASE PROJECT

Mr. Paludi presented this matter for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that District staff has received two (2) change orders related to this project: (1) Pacific Hydrotech Corporation (Contractor) Contract Change Order No. 1 in the amount of \$23,450; and (2) Hazen and Sawyer Contract (Engineering Design Consultant) Addendum No. 2 in the

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amount of \$26,770. Ms. Lausten added that these change order costs were shared costs with the Developer in accordance with the facility improvement agreement.

Action: A motion was made by Director Mandich, and seconded by Director Dopudja, to ratify Contract Change Order No. 1 to Pacific Hydrotech Corporation in the amount of \$23,450; and authorize the General Manager to execute the Hazen and Sawyer Contract Addendum No. 2 in the amount of \$26,770. There was no further discussion
The motion was approved by a vote of 5-0.

ITEM 12: DISCUSSION AND APPROVAL OF ACTION(S) RELATED TO TRABUCO CANYON WATER DISTRICT'S GROUNDWATER FEASIBILITY STUDY

Mr. Paludi presented this matter for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a brief project update, and she reported that Woodard & Curran has submitted Contract Addendum No. 1 in the amount of \$8,496 for reviewing reports and performing non-domestic water cost analyses. Discussion occurred concerning potential impacts related ongoing groundwater feasibility analysis, test well siting, and groundwater pumping management.

Action: A motion was made by Director Dopudja and seconded by Director Mandich to authorize the General Manager to execute the Woodard & Curran Contract Addendum No. 1 in the amount of \$8,496 There was no further discussion.
The motion was approved by a vote of 5-0.

ITEM 13: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE URBAN WATER & STORMWATER RUNOFF CONVEYANCE STRUCTURE TO DOVE LAKE

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

Mr. Paludi presented this matter for Board consideration, and he reported that District staff had met with Trabuco Highlands Community Association (THCA) representatives to review and discuss certain terms and provisions in the DRAFT Agreement concerning ownership and maintenance liabilities. Mr. Paludi added that General Legal Counsel had prepared a list of negotiation points that were discussed in the meeting. Discussion occurred concerning editorial and substantive changes from the previous version of the agreement. Director Mandich recommended that District staff and General Legal Counsel ensure that the existing concrete box structure is excluded from the District's maintenance responsibilities as listed in the DRAFT Agreement. Mr. Paludi mentioned that a revised DRAFT Agreement consistent with Board direction will be brought back to the Board for consideration.

Action: The Board took no action on this matter.

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

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

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

- Mr. Paludi reported on his attendance at the Municipal Water District of Orange County (MWDOC) Regular Board Meeting earlier that day, and he commented on the Board of Directors re-organization.

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- Mr. Paludi provided a brief Metropolitan Water District of Southern California (MET) update concerning a legal compromise with San Diego County Water Authority.

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 December 18, 2019 Regular Board meeting at 8:46 PM.