



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | MAY 20, 2020**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on May 20, 2020 was called to order by President Safranski at 7:05 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 ON CONFERENCE CALL**

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

### **STAFF PRESENT ON CONFERENCE CALL**

Lorrie Lausten, Principal Engineer  
Karen Warner, Senior Accountant  
Lisa Marie Sangi, Administrative Assistant

### **STAFF PRESENT AT ADMINISTRATION FACILITY**

Fernando Paludi, General Manager  
Michael Perea, Assistant General Manager/District Secretary

### **DISTRICT CONSULTANTS PRESENT AT ADMINISTRATION FACILITY**

Rob Anslow, District General Legal Counsel (Atkinson, Andelson, Loya, Ruud & Romo - AALRR)

### **PUBLIC PRESENT ON THE CONFERENCE CALL**

Beth Heard, resident of Dove Canyon Community.

### **PLEDGE OF ALLEGIANCE**

All callers and attendees were instructed to face the nearest flag and site the Pledge of Allegiance. Mr. Perea led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

### **ITEMS TOO LATE TO BE AGENDIZED**

None

### **VISITOR PARTICIPATION**

Beth Heard inquired on the plans to archive video conferencing for later usage.

### **ORAL COMMUNICATION**

No oral communication was received.

### **DIRECTOR'S COMMENTS**

Director Chadd had no comments.

Director Mandich had no comments.

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Director Dopudja reported on his attendance at the South Orange County Wastewater Authority (SOCWA) Board Meeting, and he mentioned that preliminary discussions occurred concerning the SOCWA Board of Directors reorganization which included consideration of him for the position of Board President.

Director Acosta reported on his attendance at the City of Rancho Santa Margarita City Council meeting and a virtual Water Advisory Commission of Orange County (WACO) meeting.

Director Safranski recommended moving agenda items six, ten, and fourteen in sequence under Engineering Matters as Director Mandich has indicated that he will recuse himself from those items.

**REPORT FROM THE GENERAL MANAGER**

Mr. Paludi expressed his appreciation to Director Safranski for the letter sent to District Staff in appreciation and recognition of their efforts during the COVID-19 pandemic.

Mr. Paludi commended District staff for their work over the previous month in preparing the proposed Fiscal Year 2020/2021 budgets.

**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: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING CURRENT PUBLIC HEALTH CONCERNS INCLUDING DISTRICT GOVERNANCE TO ADDRESS THE CORONAVIRUS, SAFETY OF DISTRICT SERVICES AND EMPLOYEES, AND/OR IMPACT TO BOARD & COMMITTEE MEETINGS**

Mr. Paludi presented this matter to the Board, and he mentioned this item will be a standing agenda item during the COVID-19 crisis. Mr. Paludi reported that there have been no District staff that have demonstrated signs of COVID-19 infection, and he briefly reviewed the State and County of Orange requirements related to closures. Mr. Paludi reported that the County of Orange Board of Supervisors approved the issuance of a variance request to the Governor's Office, and he added that District staff are currently preparing a Business Resumption Plan for the District's Administration Facility and Operations. Discussion occurred concerning the Board of Director's desire to resume holding public meetings in the Board Room; Mr. Paludi recommended a hybrid meeting option that meets County recommendations and Brown Act requirements. Discussion occurred concerning planned resumption of Board Room use by non-profit groups and homeowner associations; Mr. Paludi commented that public access to the Administration Facility for non-profit groups will resume in accordance with State and County recommendations and guidelines.

**Action:** The Board took no action on this matter.

**FINANCIAL MATTERS**

**ITEM 7: DISCUSSION AND APPROVAL OF DISTRICT BANKING POINT OF CONTACT UPDATES**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter was reviewed with the Finance/Audit Committee. Mr. Perea provided a brief background related to the need to update banking institution contacts with Bank of the West, and he added that this action requires the adoption of a resolution of the Board of Directors.

**Action:** A motion was made by Director Chadd and seconded by Director Acosta to adopt Resolution No. 2020-1277 – Resolution of the Board of Directors of Trabuco Canyon Water District, Authorizing Actions with Respect to District General Banking Services, Approving Certain Action by District Treasurer and Staff in Such Regard, Agreements Approving Certain Actions Documents for Such Services and Taking Related Actions. The motion was approved by a vote of 5 - 0.

**ITEM 8: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) FISCAL YEAR 2020/2021 BUDGET**

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Mr. Paludi presented this matter for Board consideration, and he reported that the Municipal Water District of Orange County (MWDOC) approved their Fiscal Year 2020/2021 budget. Mr. Paludi reviewed certain Core and Choice budgets with the Board. Discussion occurred concerning the water use efficiency (WUE) budget and the District’s proposed WUE program budgetary enhancements.

**Action:** The Board took no action on this matter.

**ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT FISCAL YEAR 2020/2021 GENERAL FUND AND CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGETS**

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Mr. Paludi presented a brief update on this matter, and he mentioned that District staff has finalized the proposed Fiscal Year 2020/2021 General Fund and Capital Improvement Projects, Equipment, and Program budgets for presentation at the Special Board Meeting - Budget Workshop on May 26, 2020.

**Action:** The Board took no action on this matter.

**ENGINEERING MATTERS**

*Director Mandich recused himself from participating in the meeting by disconnecting from the conference call at 7:40 PM.*

**ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO THE PROPOSED PALOMA SQUARE DEVELOPMENT (DOVE CANYON PLAZA) AND OTHER RELATED MATTERS**

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Mr. Paludi presented this matter to the Board, and he commented there is no update at this time. Mr. Paludi mentioned that there has been no contact by the Developer to District staff since the last Regular Board Meeting. Director Dopudja provided a brief report from the District Properties’ Ad Hoc Committee Meeting, and he reported that the Committee recommends interviewing Special Legal Counsel as it relates to real estate issues. Discussion occurred concerning the preparation of a District Property Newsletter to communicate directly to the public.

**Action:** The Board took no action on this matter.

**ITEM 10: RIDGELINE BOOSTER PUMP STATION IMPROVEMENTS AND CAPACITY INCREASE PROJECT**

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Mr. Paludi introduced this matter for Board consideration, and he reported that this project is nearing completion. Ms. Lausten provided a brief project update, and she presented construction photos for Board review. Ms. Lausten provided a project timeline update, and she reported that onsite paving will be complete in two (2) weeks and then the seven (7) day test and training will begin. Mr. Paludi added that Irvine Ranch Water District (IRWD) has accommodated the District by delaying the switchover to Irvine Lake water at the Baker Water Treatment Plant.

**Action:** The Board took no action on this matter.

**ITEM 14: SADDLEBACK MEADOWS DEVELOPMENT (181 DUs) – HARRIS GRADE RESERVOIR REPLACEMENT COST SHARING AGREEMENT**

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Mr. Paludi presented this matter for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi reported that the developer accepted the terms of the agreement to share the costs of the preparation of the feasibility study. Discussion occurred concerning physical constraints at Harris Grade Reservoir.

**Action:** A motion was made by Director Acosta and seconded by Director Chadd to approve the proposed agreement to form and authorize the General Manager to execute proposed agreement with California Quartet for cost sharing the preparation of the Harris Grade Reservoir(s) Feasibility Study There was no further discussion.  
The motion was approved by a vote of 4 – 0 – 1 with Director Mandich recused.

*Director Mandich rejoined the meeting at 8:08 PM.*

**ITEM 11: DISCUSSION AND CONTRACT AWARD TO GCI CONSTRUCTION FOR CONSTRUCTION SERVICES FOR BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT, RATIFICATION OF CONTRACT AMENDMENT NO. 1 TO JIG CONSULTANTS, AND RATIFICATION OF CONTRACT FOR GEOLOGICAL SITE INVESTIGATION/REPORT TO GMU GEOTECHNICAL**

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Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that District staff received bids from five (5) pre-approved contractors, but that GCI Construction withdrew their bid based on a material mistake. Ms. Lausten recommended the Board award the contract to Ferreira Construction as their bid was the next lowest. Mr. Paludi mentioned that District staff had been in contact with Dove Canyon Master Association concerning the project, and he had been in contact with the homeowner adjacent to the lift station and one other resident on that street. Brief discussion occurred concerning planned public outreach methods with the immediate residents in the cul-de-sac to review the planned facility improvements. Director Dopudja recommended that District staff communicate with the community delegate concerning the project.

**Action:** A motion was made by Director Mandich and seconded by Director Dopudja to accept GCI Construction, Inc.'s Withdrawal of Bid Due to Material Mistakes Pursuant to California Public Contract Code §5101. There was no further discussion.  
The motion was approved by a vote of 5 - 0.

A motion was made by Director Acosta and seconded by Director Dopudja on the following actions:

- Authorize the General Manager to execute a contract with Ferreira Construction Co. Inc. dba Ferreira Coastal Construction Co. for Bell Canyon Sewer Lift Station

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Rehabilitation Project in the amount of \$1,496,228 with a contingency of \$75,000 for a total not to exceed amount of \$1,571,228.

- Ratify Contract Amendment No. 1 to JIG Consultant in the amount of \$27,980
- Ratify a Contract with GMU Geotechnical, Inc. for Geological Site Investigation/Report in the amount of \$6,900.

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

**ITEM 12: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING EL TORO SEWER LIFT STATION IMPROVEMENTS AND IRVINE RANCH WATER DISTRICT BUYOUT PROPOSAL**

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Mr. Paludi presented this matter for Board review, and he reported that this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi reported that he clarified to IRWD that certain improvements are necessary at the facility which justified the preparation of the technical memorandum by Hazen. Ms. Lausten provided a brief review of the Hazen report, and she highlighted the proposed engineering estimates and probable costs for the improvements. Discussion occurred concerning the planned improvements and subsequent communication of the counterproposal to IRWD.

**Action:** The Board took no action on this matter.

**ITEM 13: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT'S SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM UPGRADE PROJECT**

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Mr. Paludi advised the Board that this matter was previously discussed with the Engineering/Operational Committee. Ms. Lausten delivered a PowerPoint Presentation which summarized the importance of the phased project and provided a project status update. Discussion occurred concerning the planned improvements and budgetary considerations.

**Action:** The Board took no action on this matter.

**LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS**

**ITEM 15: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

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Mr. Paludi provided updates on the following matters:

- SB 1386 (Moorlach) – Mr. Anslow provided a brief update on the status of this legislation.
- Yorba Linda Water District has appointed Assistant General Manager Brett Barbre as their new General Manager.

**Action:** The Board took no action on this matter.

**OTHER INFORMATION/MATTERS**

There were no other information or matters received.

**ADDITIONAL DIRECTORS' COMMENTS**

Director Safranski commented on his planned attendance at the ACWA Conference which has been reformatted as a virtual conference due to the spread of COVID-19.

Director Dopudja added that he planned to attend the ACWA Conference as well, and he wished a Happy Memorial Day weekend to all in attendance of the Board Meeting.

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**ADDITIONAL GENERAL MANAGER COMMENTS**

There were no additional General Manager comments received.

**ADJOURNMENT**

President Safranski adjourned the May 20, 2020 Regular Board Meeting at 8:45 PM.