



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | JUNE 16, 2021**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on June 16, 2021 was called to order by President Chadd at 7:00 p.m., via conference call 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 Don Chadd  
Vice President Stephen Dopudja  
Director Glenn Acosta  
Director Edward Mandich  
Director Michael Safranski

### **DIRECTORS PRESENT ON CONFERENCE CALL**

None

### **DIRECTORS ABSENT**

None

### **STAFF PRESENT**

Fernando Paludi, General Manager  
Michael Perea, Assistant General Manager  
Lorrie Lausten, District Engineer  
Karen Warner, Principal Accountant  
Jason Stroud, Maintenance Superintendent  
Lisa Marie Sangi, Executive Assistant  
Gary Nicotra, Lead Customer Service Field Representative

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

None

### **DISTRICT CONSULTANTS PRESENT**

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

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

Beth Heard, Resident

### **PLEDGE OF ALLEGIANCE**

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

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

None

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**VISITOR PARTICIPATION VIA CONFERENCE CALL**

None

**RECOGNITION OF SERVICE TO THE DISTRICT – MR. GARY NICOTRA, CUSTOMER SERVICE FIELD TECHNICIAN III**

Mr. Perea introduced Mr. Gary Nicotra to the Board of Directors, and he briefly recounted his years of service to the District since January 2010. Mr. Perea expressed his appreciation to Mr. Nicotra for his hard work through the years as the unofficial District ambassador to the public.

Director Chadd commented on Mr. Nicotra’s loyalty to the District, and he shared some brief stories working with Mr. Nicotra.

Mr. Nicotra thanked the Board of Directors and District staff for the recognition of his service, and he expressed his satisfaction in finishing his working years at the District.

**DIRECTOR’S COMMENTS**

Director Acosta reported on his attendance at the Water Advisory Committee of Orange County (WACO) meeting and he briefly reviewed the Metropolitan Water District (MET) presentation.

Director Safranski reported on his attendance at the City of RSM Council Meeting on behalf of the District and the Planning Commission meeting on behalf of Trabuco Highlands Community Association, and he briefly reported on certain proposed residential housing updates discussed at both meetings.

Director Mandich had no comments.

Director Dopudja reported on his attendance at the South Orange County Wastewater Authority (SOCWA) Regular Board Meeting, and he provided brief updates concerning the Joint Powers Agreement (JPA) review process.

Director Chadd reported that El Toro Water District (ETWD) Director Jose Vergara chaired the last South Orange County Agencies Group (SOCAG) meeting in his absence on May 27, 2021, and he briefly discussed the proposed host agency responsibility transition to ETWD later this year.

**REPORT FROM THE GENERAL MANAGER**

Mr. Paludi reported on the following matters:

- The Santiago Aqueduct Commission (SAC) Meeting was cancelled.
- The District’s Dimension Water Treatment Plant (DWTP) is scheduled to be shutdown for a two-month period beginning June 18<sup>th</sup> due the replacement of the onsite backwash tanks. Mr. Paludi added that the District will be using its 2 cubic feet per second (CFS) capacity from the Baker Water Treatment Plant supplemented with additional water from interties with neighboring agencies to meet overall demand during that period.
- The District has implemented customer late payment fees (penalties) as previously discussed with the Board of Directors, and are currently to provide payment arrangements for customers if needed.

Mr. Perea provided a brief update related to the District’s American Water Infrastructure Act of 2018 (AWIA), and he reported that the second phase (Risk of Resiliency Assessment) had been completed.

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**CONSENT CALENDAR**

President Chadd 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 Mandich and seconded by Director Safranski to approve the Consent Calendar.  
The motion was approved by a vote of 5 – 0.

**ADMINISTRATIVE MATTERS**

**ITEM 5: RATIFICATION OF DIRECTORS’ FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ ATTENDANCE**

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Mr. Paludi presented this matter for Board consideration. There were no requests from the Directors to change or amend the Directors’ Fees and Expenses Report.

**Action:** A motion was made by Director Dopudja and seconded by Director Acosta to approve of the Directors’ Fees and Expenses Report.  
The motion was approved by a vote of 5 – 0.

**ITEM 6: PUBLIC HEARING AND ADOPTION OF TRABUCO CANYON WATER DISTRICT’S 2020 URBAN WATER MANAGEMENT PLAN (UWMP) UPDATE, WATER SHORTAGE CONTINGENCY PLAN, AND 2015 UWMP ADDENDUM**

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Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Paludi delivered a PowerPoint presentation that provided an overview of the Department of Water Resources (DWR) requirements related to the adoption of the 2020 Urban Water Management Plan (UWMP) and the Water Shortage Contingency Plan (WSCP). Discussion occurred concerning certain demand projections presented in the UWMP and proposed provisions of the WSCP.

*President Chadd opened the public hearing at approximately 7:42 p.m.*

Mr. Perea reported that District staff had complied with the notification requirements and had not received any written comments or protests to date. There were no public comments received at the time of the meeting.

*President Chadd closed the public hearing at approximately 7:44 p.m.*

**Action:** A motion was made by Director Acosta and seconded by Director Safranski to approve the following matters.

1. Adopt Resolution No. 2021- 1290 - Resolution of the Board of Directors of Trabuco Canyon Water District Adopting An Addendum to the Trabuco Canyon Water District 2015 Urban Water Management Plan to Add Appendix K – Reduced Delta Reliance Reporting (Appendix C of 2020 UWMP) -
2. Adopt Resolution No. 2021-1291 – Resolution of the Board of Directors of the Trabuco Canyon Water District Adopting the Trabuco Canyon Water District Revised Water Shortage Contingency Plan
3. Adopt Resolution No. 2021-1292 – Resolution of the Board of Directors of the Trabuco Canyon Water District Adopting the Trabuco Canyon Water District 2020 Urban Water Management Plan Update

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

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**ITEM 7: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE CORONAVIRUS, INCLUDING SAFETY OF DISTRICT SERVICES AND EMPLOYEES, AND IMPACT TO BOARD & COMMITTEE MEETINGS**

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Mr. Paludi provided a brief update on COVID-19 related matters throughout the County, and he reported that Governor Newsom issued Executive Order (EO) N-08-21 that addresses the expiration of various EOs, including ending the moratorium on water service shutoffs for non-payment effective September 30, 2021. Mr. Paludi added that Cal OSHA had scheduled a Special Board Meeting for the following day to evaluate proposed COVID restrictions. Discussion occurred concerning the reopening of the District's Administration Facility to the public and the use of the Board Room for HOAs and non-profit groups in the District's service area.

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

**ITEM 8: 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 for Board consideration, and he reported that there were no changes or activity as it relates to this matter. Discussion occurred concerning recent events that have occurred in the Dove Canyon Plaza and potential plans for a District event for customers similar to previous Water Awareness Month events.

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

**ITEM 9: AUTHORIZE ACTIONS FOR TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2021/2022 UNDEVELOPED LAND/WATER STANDBY CHARGES (ASSESSMENT) AND SET PUBLIC HEARING**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter is reviewed the Board on an annual basis. Mr. Perea reported that the standby charges have not increased since the mid-1990s, and that District staff is prepared to publish a Notice of Public Hearing consistent with the notification requirements. Discussion occurred concerning the charge development process the potential to incorporate with water, wastewater, and recycled water rates and charges adoption process.

**Action:** A motion was made by Director Safranski and seconded by Director Acosta to approve of the following matters:

1. Authorize District staff to proceed with actions for setting the Fiscal Year 2021/2022 Undeveloped Land/Water Standby Assessment at \$15.00 per acre or portion thereof; and
2. Agendize Public Hearing and authorize District staff to furnish Notice of Public Hearing on Proposed Fiscal Year 2021/2022 Undeveloped Land/Water Standby Assessments for the July 21, 2021 Regular Board

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

**ITEM 10: DISCUSSION AND ACTION CONCERNING TRABUCO CANYON WATER DISTRICT PROPOSED FISCAL YEAR 2021-22 GENERAL FUND AND CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET**

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Mr. Paludi introduced this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Perea provided a brief overview of the minor budgetary changes since the proposed budget was reviewed at the budget workshop, which included a decrease in the salaries and benefits budget by approximately 2% and an increase in the fuel budget by 3%. Discussion occurred concerning the overall budget adoption process.

**Action:** A motion was made Director Acosta and seconded by Director Mandich to approve of the following matters:

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1. Adopt Resolution No. 2021 - 1293– Resolution of the Board of Directors of Trabuco Canyon Water District of the Trabuco Canyon Water District Approving the General Fund District Budget for Fiscal Year 2021/2022 for an amount of \$12,256,900.
  2. Adopt Resolution No. 2021 - 1294 - Resolution of the Board of Directors of Trabuco Canyon Water District of the Trabuco Canyon Water District Approving the Capital Improvement Project, Equipment, and Program Budgets for Fiscal Year 2021/2022 for an amount of \$4,817,500.
- The motion was approved by a vote of 5 – 0.

**ITEM 11: DISCUSSION AND ACTION CONCERNING AN INCREASE IN THE SPENDING LIMIT TO AGREEMENT WITH SPECIAL COUNSEL**

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Mr. Paludi commented on this matter, and he provided a brief overview of the current special legal counsel services provided by Hanson Bridgett to date. Mr. Paludi reported that the authorized spending limit for special counsel services has been met, and he recommended an increase of \$75,000 for ongoing related District legal matters.

**Action:** A motion was made by Director Safranski and seconded by Director Acosta to authorize an increase in the spending limit to Agreement with Hanson Bridgett LLP for Special Counsel Legal Services in an amount of \$75,000 for a total not-to-exceed amount of \$125,000.  
The motion was approved by a vote of 5-0.

**ITEM 12: APPROVAL OF PROFESSIONAL SERVICES CONTRACT WITH FIELDMAN ROLAPP & ASSOCIATES FOR FINANCIAL ADVISORY SERVICES**

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Mr. Paludi presented this matter to the Board, and he mentioned that the adopted water, wastewater, and recycled water rate schedule and funding for the District’s planned capital improvement projects included the use of financial advisory firm to provide guidance to District staff and the Board of Directors. Mr. Paludi recommended engaging with Fieldman Rolapp and Associates for financial advisory services.

**Action:** A motion was made by Director Mandich and seconded by Director Safranski to authorize the General Manager to enter into a professional services agreement with Fieldman Rolapp and Associates for Financial Advisory Services in an amount not-to-exceed \$25,000.  
The motion was approved by a vote of 5-0.

**ITEM 13: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING HERITAGE SEWER LIFT STATION IMPROVEMENTS**

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Mr. Paludi introduced this matter for Board consideration, and he added that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten delivered a PowerPoint presentation the highlighted the necessary capital improvements at the facility including a station bypass structure and piping improvements. Ms. Lausten recommended JIG Consultants for engineering services related to the station improvements.

**Action:** A motion was made by Director Acosta and seconded by Director Dopudja to authorize the General Manager to ratify a Contract with JIG Consultants for Engineering Services for Heritage Lift Station Bypass and Piping Improvements in the amount of \$43,440.  
The motion was approved by a vote of 5-0

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**ITEM 14: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING GOLF CLUB SEWER LIFT STATION IMPROVEMENTS**

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Mr. Paludi introduced this item for Board consideration, and he mentioned that this was previously discussed with the Engineering/Operational Committee. Mr. Perea provided a brief overview of the planned improvements at the facility, including the replacement of the motor control center (MCC) and other electrical improvements. Mr. Perea reviewed additional photos that indicated the current condition of the wet well and piping issues due to previous repairs. Mr. Perea recommended Hydrotech Electric for the replacement of the facility CC. Discussion occurred concerning future improvements at the facility.

**Action:** A motion was made by Director Mandich and seconded by Director Dopudja to authorize the General Manager to ratify a Contract with Hydrotech Electric for Golf Club Lift Station Motor Control Center Replacement in the amount of \$279,340 with a contingency of \$27,934, for a total not-to-exceed amount of \$307,274.  
The motion was approved by a vote of 5 – 0.

**ITEM 15: PURCHASE OF A CUMMINS EMERGENCY PORTABLE 275KW DIESEL GENERATOR**

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Mr. Paludi introduced this matter for Board consideration, and he reported that the District has been awarded grant funding towards the purchase of this equipment. Mr. Stroud provided an overview of the proposed equipment and specifications, and he reported that this specific backup power generator has the capacity to provide emergency support to a majority of the District’s small to medium-sized facilities. Discussion occurred concerning fuel capacity and Air Quality Management District (AQMD) regulatory requirement impacts on this type of equipment. Mr. Stroud added that District staff plan to perform automatic transfer switch improvements at certain facilities. Mr. Paludi reported that the proposed equipment cost in the recommended action was actually \$193,866 with a 10% contingency for a total not to exceed amount of \$212,392.

**Action:** A motion was made by Director Acosta and Director Mandich to ratify the purchase of one Cummins Emergency Portable 275KW Diesel Generator for equipment for \$193,866 plus approximately 10% as contingency for a total not-to-exceed amount of \$212,392.  
The motion was approved by a vote of 5 – 0.

**ITEM 16: PURCHASE APPROVAL OF A TRAILER MOUNTED EMERGENCY BYPASS PUMP FOR WASTEWATER OPERATIONS**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that it was discussed with the Finance/Audit Committee. Mr. Perea reported that the purchase of this equipment was approved in the Fiscal Year 2020/2021 Capital Improvement Project budget, and that wastewater operations has rented this type of equipment to complete multiple tasks at the wastewater treatment plant and lift stations. Mr. Stroud provided a brief overview of the equipment specifications, and he highlighted the multiple benefits of this equipment. Mr. Perea reviewed the equipment proposals, and he recommended the purchase of the Godwin Dri-Prime pump from Xylem Dewatering Solutions for a not to exceed amount of \$92,070.

**Action:** A motion was made by Director Acosta and seconded by Dopudja approve the purchase of one Godwin NC150 Dri-Prime Pump from Xylem Dewatering Solutions for \$83,700 plus approximately 10% as contingency for a total not-to-exceed amount of \$92,070.  
The motion was approved by a vote of 5 – 0.

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**LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS**

**ITEM 17: DISCUSSION AND ACTION CONCERNING CALIFORNIA SPECIAL DISTRICT'S ASSOCIATION (CSDA) 2021 BOARD OF DIRECTORS ELECTION – SOUTHERN NETWORK, SEAT A**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that the California Special Districts Association (CSDA) has notified member agencies of the 2021 Board of Directors Election for the Southern Network, Seat A. Mr. Perea provided a brief overview of the candidate statements and the online voting process. Discussion occurred concerning the candidate statements. Director Acosta mentioned that he would follow up directly with District staff concerning the vote.

**Action:** The Board of Directors, through President Chadd, authorized Director Acosta to cast the official ballot for the California Special Districts Association 2021 Board of Directors Election on behalf of the District. There was no further discussion.

**ITEM 18: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

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Mr. Paludi provided a brief update on Metropolitan Water District of Southern California (MET) new General Manager and the insight on the agency and service area challenges going forward.

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

*President Chadd called for a meeting break at approximately 8:33 p.m. The meeting resumed at approximately 8:38 p.m.*

**CLOSED SESSION**

The Board of Directors entered closed session in accordance with the agenda at 8:39 p.m.

The Board of Directors met in closed session to review and discuss confidential information concerning the appointment of a government employee pursuant to Government Code Section 54957(b). The District's General Manager and Assistant General Manager participated in the closed session. This closed session ended at 9:07 p.m.

**ITEM 19: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION**

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**Action:** President Chadd announced that the Board of Directors had provided direction to the General Manager.

**OTHER INFORMATION/MATTERS**

There were no other information or matters received.

**ADDITIONAL DIRECTORS' COMMENTS**

Director Safranski wished everyone a Happy Father's Day and Independence Day holiday.

**ADDITIONAL GENERAL MANAGER COMMENTS**

None

**ADJOURNMENT**

President Chadd adjourned the June 16, 2021 Regular Board Meeting at 9:08 p.m.