



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | AUGUST 15, 2024

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on August 15, 2024, was called to order by President Stephen Dopudja at 5:31 p.m. 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 Stephen Dopudja
Vice President Ed Mandich
Director Glenn Acosta
Director Don Chadd
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Jason Stroud, Maintenance Superintendent

DISTRICT CONSULTANTS

Claire Collins, District General Legal Counsel - Hanson & Bridgett, LLP

PUBLIC PRESENT

There were members of the public present.

PLEDGE OF ALLEGIANCE

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

ITEMS TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

None

ORAL COMMUNICATION

Jay Gentile – Mr. Gentile addressed the Board of Directors with his concerns related to Dove Canyon Master Association's (DCMA) use of property owned by the District per an existing agreement, and he indicated that he has submitted his questions to the General Manager without response.

Allen Burnham – Mr. Burnham submitted a speaker card but had no comments and relinquished his time.

Unnamed Customer – This customer addressed the Board of Directors with her concerns with the meter charge for the two-inch water meter charge, and she shared that she is on limited income and is having trouble making the monthly water payment due to the current charges.

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | AUGUST 15, 2024

Sue Marucci – Ms. Marucci addressed the Board of Directors with her concerns with the District’s Meter Downsizing Program and the District’s current rate structure in accordance with Proposition 218. Ms. Marucci asked the Board of Directors to revisit both processes to better serve their customers.

Dan Doke– Mr. Doke addressed the Board of Directors with his concerns with the meter charge for two-inch water meter service and he suggested the Board of Directors re-evaluate the current meter charge.

Director Dopudja expressed his appreciation for all in attendance that shared their concerns with the Board of Directors.

DIRECTOR’S COMMENTS

Director Chadd had no comments

Director Mandich had no comments

Director Safranski reported on his participation at the South Orange County Agencies Group and Rancho Santa Margarita City Council meetings.

Director Acosta had no comments.

Director Dopudja commented that he was scheduled to meet with the Secretary of Natural Resources the following day in his personal time, and he looked forward to the opportunity to discuss the impacts of SB 366 and statewide water issues.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Mr. Paludi reported that the District’s Dimension Water Treatment Plant (DWTP) was offline due to damage observed after the earthquakes from earlier in the week and that staff is investigating the damage and planning for facility improvements.
- Mr. Paludi reported that the District has successfully met the regulatory requirements of the EPA mandated Revised Lead and Copper Rule (LCRR). Mr. Paludi provided a brief overview of the regulation and explained that the District found no lead materials in the identified services and experienced a financial savings of approximately \$65,000 by completing the work with District staff.
- Mr. Paludi reported that the District has completed the EPA mandated Unregulated Contaminant Management Rule (UCMR) testing, which included testing for PFAS, and he reported the testing results did not detect PFAS in the District’s water supplies. Mr. Paludi added that the District’s website will be updated with this information.

CONSENT CALENDAR

President Dopudja 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.

MOTION: Approve the consent calendar as presented – Director Mandich

SECOND: Director Acosta

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | AUGUST 15, 2024

MOTION PASSED/FAILED: Passed 5 – 0

ACTION CALENDAR

ADMINISTRATIVE MATTERS

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

Mr. Paludi presented this matter for Director consideration and comment, and he reported that this matter was reviewed with the Finance/Audit Committee.

MOTION: Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from June 2024 – Director Mandich

SECOND: Director Safranski

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ITEM 6: APPROVAL OF TRABUCO CANYON WATER DISTRICT'S SPONSORSHIP OF 2024 OC WATER SUMMIT

Mr. Paludi presented this matter for Board consideration, and he provided an overview of the event agenda. Mr. Paludi reported that the sponsorship is for a table that will provide seating for the District at the event, and it is the least expensive sponsorship level.

MOTION: Approval of a table sponsorship for the 2024 OC Water Summit in the amount of \$1,600 – Director Mandich

SECOND: Director Acosta

AYES: Directors Dopudja Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ITEM 7: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT RESPONSE TO 2023-24 ORANGE COUNTY GRAND JURY REPORT

Mr. Paludi presented this matter for Board consideration, and he reported that the District is required to respond to one finding and one recommendation listed in the OC Grand Jury (OCGJ) report titled "Emerging Opportunities in South County Water/Wastewater Systems". Mr. Paludi reviewed the following proposed responses:

- Finding F4: *"There is currently no unified strategy for the future of water/wastewater provision in South Orange County."*
- Recommendation R2: *"The OCGJ recommends that by January 1, 2025, LAFCO form a taskforce comprising representatives of affected water agencies to study the transformation of SOCWA and prepare a report on the future of water/wastewater in South Orange County."*

Discussion occurred concerning the proposed responses to the OCGJ that includes a ninety-day response deadline and the necessity of post-annexation reviews performed by OC LAFCO.

MOTION: Approve the proposed responses to the 2023-24 Orange County Grand Jury Report titled "Emerging Opportunities in South County Water/Wastewater Systems" – Director Acosta

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | AUGUST 15, 2024**

SECOND: Director Mandich
AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski
NOES: None
ABSTAIN: None
ABSENT: None
MOTION PASSED/FAILED: Passed 5 – 0

ITEM 8: DISCUSSION ON HUMAN RESOURCES AND HEALTH BENEFITS THIRD-PARTY ADMINISTRATOR SUPPORT SERVICES

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Executive Committee. Mr. Perea provided an overview of the scope of work and issuance of a request for qualifications (RFQ) to six firms for human resources and benefits administration services. Mr. Perea reported that the District received three responses and that District Staff met with CPS HR Consulting and Keenan & Associates to discuss the proposed scope of work. Mr. Perea indicated that staff recommends bifurcating the human resources and benefits administration services and contracting with each firm, and he highlighted the hourly rate breakdown of each firm. Discussion occurred concerning the significant differences in hourly rates for each firm and other associated costs. The Board deferred action on this matter and asked staff to benchmark the hourly rates with other firms.

MOTION: No action was taken.

FINANCIAL MATTERS

ITEM 9: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT'S HEALTH BENEFIT COSTS FOR CALENDAR YEAR 2025

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Perea reported that CalPERS has released the health plan rates for 2025, and he reviewed the fiscal impact of the employer contribution rate to the District with the Board of Director's newly adopted 90% methodology. Director Dopudja provided context related to the 2024 compensation study that benchmarked neighboring agency health benefit contribution methodologies which resulted in the adoption of the new employer contribution methodology.

MOTION: Adopt Resolution No. 2024-1336 – Fixing the Employer Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants (000 All Employees – CalPERS) – Director Acosta

SECOND: Director Mandich
AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski
NOES: None
ABSTAIN: None
ABSENT: None
MOTION PASSED/FAILED: Passed 5 – 0

MOTION: Adopt Resolution No. 2024-1337 – Fixing the Employer Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants (700 Elected Officials– NonCalPERS) – Director Acosta

SECOND: Director Mandich
AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski
NOES: None
ABSTAIN: None

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | AUGUST 15, 2024**

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ENGINEERING MATTERS

ITEM 10: ROBINSON RANCH WASTEWATER TREATMENT PLANT (RRWWTP) BLOWER ROOM RE-DESIGN

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a summary of the planned phased improvements for the blower room and equipment at the Robinson Ranch Wastewater Treatment Plant, and she presented a project design amendment with JIG Engineering which includes the relocation of the Hoffman blowers to the exterior of the blower building. Discussion occurred concerning the project phases and potential sound issues with installing equipment outside at the RRWWTP. Director Chadd expressed his concerns with installing the blowers outside of the building as that may result in an increase in noise that could impact surrounding residents. Ms. Lausten reported that staff has performed preliminary sound evaluations, but a full sound study would identify any potential issues with the equipment relocation. Mr. Stroud added that the Hoffman Blowers to be installed are significantly quieter than the existing Sutorbilt, and he mentioned there are other local sites that use Hoffman blowers outside without significant noise. Director Chadd indicated his support for this project if it includes sound attenuation and noise mitigation efforts to limit noise impacts to residents.

MOTION: Authorize the General Manager to Amendment No. 1 to JIG Consultants for the Blower Room Improvements in the not-to exceed amount of \$84,735– Director Chadd

SECOND: Director Acosta

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ITEM 11: BELL CANYON AND BARNEBURG SEWER LIFT STATION EASEMENTS

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 these easements were never transferred to the District from Dove Canyon Master Association following completion of the Dove Canyon development. Ms. Lausten commented that both new easement documents have been completed and recommended that the Board of Directors receive the documents and authorize the District Secretary to execute them.

MOTION: Receive the Grants of Easement to the Trabuco Canyon Water District by Dove Canyon Master Association for the Bell Canyon and Barneburg Sewer Lift Stations and authorize the District Secretary to execute said Grants of Easement – Director Acosta

SECOND: Director Safranski

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ITEM 12: DISCUSSION CONCERNING TRABUCO CANYON WATER DISTRICT'S BUSINESS SYSTEM SERVER REPLACEMENT PROJECT

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi added that project was an approved Capital Improvement Project

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | AUGUST 15, 2024

(CIP) for Fiscal Year 2024-25. Mr. Perea provided a brief overview of the District's current business system which was upgraded in 2016 and has maximized storage capacity. Mr. Perea reported that staff has worked with the District's independent, third-party IT manager, Highroad IT, to plan for the replacement of the system over the next two years, and he reviewed the project proposal and associated costs, noting that Highroad IT solicited competitive pricing from vendors providing the hardware. Mr. Perea mentioned that CalOES (California Office of Emergency Services) announced a \$23M cybersecurity grant opportunity for agencies statewide, and he stated that staff will meet with the grant writing staff to determine if the project meets the minimum requirements. Director Safranski expressed concern with the existing HVAC system and UPS battery backup system meeting the needs of the proposed system improvements; Mr. Perea indicated that this matter would be reviewed Highroad IT during the project.

MOTION: Authorize the General Manager to approve the Server Replacement Project Quote No. TCWD24-0726A from Highroad IT in the amount of \$99,648— Director Chadd
SECOND: Director Safranski
AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski
NOES: None
ABSTAIN: None
ABSENT: None
MOTION PASSED/FAILED: Passed 5 – 0

LEGISLATIVE AND OTHER MATTERS

ITEM 13: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Paludi reported that District staff attended the Foothill Trabuco Specific Plan public meeting the previous evening which included a review of Orange County Rescue Mission (OCRM) site application permit for an onsite equine structure. Mr. Paludi added that staff expressed opposition to OCRM's application due to encroachment of proposed structures on the District's pipeline easement and lack of coordination with the District by OCRM relative to proposed increases in water and sewer demands as a result of the application.

MOTION: None – Informational item only.

CLOSED SESSION

Before entering closed session, Director Mandich recused himself from the closed session item number one. The Board of Directors, with the exception of Director Mandich, entered closed session in accordance with the agenda at 7:10 p.m. The General Manager, Assistant General Manager, District Engineer, Water Operations Superintendent and District General Counsel participated in the closed session.

This closed session ended at 8:33 p.m.

ITEM 14: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Ms. Collins reported that the Board of Directors met in closed session to review the matter as agendized, and that there was no action to be reported in closed session.

GENERAL COUNSEL REPORT

Ms. Collins reported that the State Legislature session has ended, and an update will be provided to the Board at a future meeting.

OTHER INFORMATION/MATTERS

None

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | AUGUST 15, 2024

ADDITIONAL DIRECTORS' COMMENTS

Director Chadd commented on the Community Associations of Rancho (CAR) groups efforts on home fire hardening discussions and the subsequent award of a Fire Safety Grant for outreach purposes. Director Chadd mentioned that both Robinson Ranch and Trabuco Highlands Community Associations have received \$100,000 in grant funds for materials related to home fire hardening.

Director Safranski reported that the District's Energy Efficiency Ad Hoc Committee met with Southern California Edison (SCE) to review the District's current electrical rates by facility and to evaluate potential grant funding opportunities.

ADJOURNMENT

President Dopudja adjourned the August 15, 2024 Regular Board Meeting at 8:38 p.m.