

**MINUTES OF THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT  
AUGUST 20, 2014**

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The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Michael 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, recorded and transcribed the minutes thereof.

**DIRECTORS PRESENT**

President Michael Safranski  
Vice President Edward Mandich  
Director Glenn Acosta  
Director James Haselton  
Director Stephen Dopudja

**STAFF PRESENT**

Hector Ruiz, General Manager  
Michael Perea, District Secretary  
Lorrie Lausten, Engineer  
Karen Warner, Accounting Supervisor

**DISTRICT CONSULTANTS PRESENT:**

District General Legal Counsel – Rob Anslow (Bowie, Arneson, Wiles & Giannone)

**PUBLIC PRESENT**

There were members of the public present

**PLEDGE OF ALLEGIANCE**

Mr. Edward Mandich led the Board and District staff in the pledge of allegiance.

**VISITOR PARTICIPATION**

No visitor participation was received.

**ORAL COMMUNICATION**

No oral communication was received.

**DIRECTOR'S COMMENTS**

Mr. Dopudja had no comments.

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Mr. Mandich commented on the uncontested District Board positions in the November General Election, and congratulated Mr. Acosta and Mr. Safranski on four year term appointment. Mr. Mandich commented on his attendance at the South Orange County Watershed Management Area Executive Committee Meeting, and mentioned that Mr. Ruiz was commended by County of Orange Staff.

Mr. Haselton had no comments.

Mr. Acosta had no comments.

Mr. Safranski commented on the upcoming General Election and Special District contests. Mr. Safranski also commented on the candidates for City of Rancho Santa Margarita City Council for the November General Election.

**REPORT FROM THE GENERAL MANAGER**

Mr. Ruiz reported on the following matters:

1. Mr. Ruiz mentioned that representatives from the Southern California Gas Company (SoCalGas) were in attendance concerning the Agenda Item regarding the SoCalGas easement request at the Dove Reservoir parcel.
2. Mr. Ruiz mentioned that the Rancho Santa Margarita Chamber of Commerce "State of the City" Event is scheduled for September 4, 2014, and that any Directors interested in attending the event should advise Mr. Perea.
3. Mr. Ruiz mentioned that a Municipal Water District of Orange County (MWDOC) Water Policy Forum and Dinner is scheduled for October 2, 2014, and that any Directors interested in attending the event should advise Mr. Perea.

**ITEMS TOO LATE TO BE AGENDIZED**

Mr. Ruiz commented that there were no items too late to be agendized.

**CONSENT CALENDAR**

The Board President indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member requested a separate action on a specific item.

**Action:** A motion was made by Director Acosta and seconded by Director Haselton to approve the Consent Calendar, Items 1 through 4.  
The motion carried 5 – 0.

**ACTION CALENDAR**

**ADMINISTRATIVE MATTERS**

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**ITEM 5: DISCUSSION AND POSSIBLE ACTION CONCERNING THE SOUTHERN CALIFORNIA GAS COMPANY EASEMENT REQUEST FOR INSTALLATION OF ADVANCE METER INFRASTRUCTURE (AMI) AT THE DOVE RESERVOIR PARCEL**

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Mr. Ruiz presented this matter for Board review and mentioned that the matter was reviewed by the Engineering/Operational Committee. Mr. Ruiz discussed the background of the Southern California Gas Company's (SoCalGas) AMI Project, and introduced Mr. Juan Gonzalez, and Mr. Paul Simonds, the Representatives from SoCalGas. Mr. Ruiz presented and reviewed the Notice of Exemption (NOE) recorded on August 7, 2014, and the Draft Agreement by and between the District and SoCalGas. Mr. Ruiz mentioned that a revised Draft Agreement was included in the Red Folder for review, and that there were minor, non-substantive edits, but that Section 15.e.v, was added by request from SoCalGas due to their insurance requirements. Mr. Anslow added that the minor changes made to the Agreement were based on District Staff review and Board direction. Mr. Ruiz reviewed the Agreement Exhibits with the Board. Mr. Safranski commended Mr. Gonzalez and Mr. Simonds for accommodating the concerned residents of Dove Canyon. Discussion occurred concerning the congenial nature during the Agreement negotiations. Mr. Ruiz thanked Mr. Gonzalez and Mr. Simonds for their assistance on this matter.

**Action:** A motion was made by Director Acosta and seconded by Vice President Mandich to approve form of Agreement by and between Trabuco Canyon Water District and Southern California Gas Company and authorize the General Manager to execute the Agreement.  
The motion carried 5 – 0.

**ITEM 6: DISCUSSION CONCERNING DISTRICT HEALTH BENEFITS**

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Mr. Ruiz presented this informational matter to the Board for their review, and mentioned that no action was required. Mr. Ruiz commented that District Staff have received the CalPERS medical rates effective January 1, 2015, and that overall, the rates are lower than anticipated. Mr. Ruiz reviewed a Trend Analysis of CalPERS Monthly Rates by Year exhibit included with the staff report. Discussion occurred concerning medical rate trends and options available to District employees. Mr. Ruiz mentioned that the lower rates for 2015 will result in overall lower costs for the District. Discussion occurred concerning CalPERS Dependent Eligibility Verification and the subsequent notifications which District employees have received to date.

**Action:** Received information concerning the matter. No action taken.

**ENGINEERING MATTERS**

**ITEM 7: ALTERNATE RAW WATER TRANSMISSION LINE – PW79**

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Mr. Ruiz provided a status update concerning this project, and mentioned that District Staff have had informal discussions with Southern California Edison (SCE) staff. Mr. Ruiz added that SCE has demonstrated a willingness to work with the District, but has not provided formal notification as such. Mr. Ruiz commented that SCE has verbally confirmed that there are no plans to expand their

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infrastructure in area of the planned project, and that SCE has been helpful to District Staff as of recently. Mr. Ruiz reviewed the Major Project Tasks Remaining with the Board. Discussion occurred concerning the status of the County of Orange approval for easement and encroachment permits with Flood, Parks and Trails.

**Action:** Received status update. No action taken.

**ITEM 8: BAKER REGIONAL WATER TREATMENT PLANT**

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Mr. Ruiz provided a status update on this project, and mentioned that the Project Committee Meeting for August, 2014, was cancelled. Mr. Ruiz presented the Project Construction Report for August, 2014, for Board review, which included the Project Overview and sample photos of the Concrete Placement in the Pipe Gallery, the Pump Cans, and the Pump Can Suction Laterals. Discussion occurred concerning project change orders and unforeseen costs to date as noted pending in the Construction Report.

**Action:** Received status update. No action taken.

**ITEM 9: SHADOW ROCK DETENTION BASIN FACILITY**

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Mr. Ruiz provided a status update on this project, and provided a Bid Comparison Handout for Board review. Mr. Ruiz added that bids for the project were received at the Bid Opening on Tuesday, August 19<sup>th</sup>, and the handout summarizes the five public bids received. Discussion occurred concerning the differences in costs for Project Line Items. Mr. Ruiz presented and reviewed a Project Budget Summary which demonstrated the original Proposition 84 budget and the current proposed costs and costs to date. Mr. Ruiz mentioned that based on the initial analysis of the Bids that the greatest cost increases are for the planned earthwork and spoils handling. Discussion occurred concerning onsite spoils handling and soil compaction issues. Mr. Ruiz requested additional time to further review the bids and the current design of the Project for opportunities for value engineering, and to discuss with the State and County of Orange if there is a possibility for additional Proposition 84 funds. Discussion occurred concerning the Bid Summary and the contractors that submitted bids. Mr. Ruiz mentioned that another strategy for the Project could be to part out the earthwork and mechanical work into two separate bids. Discussion occurred concerning the challenges working with two contractors on one Project, and possibility of a Special Board Meeting for discussion and possible action concerning the Project. Mr. Ruiz added that District Staff has contacted a public outreach consultant to prepare and schedule a Groundbreaking Ceremony and facilitate the notification and media for the Project. Discussion occurred concerning pausing any groundbreaking preparations until the final bids are received and awarded by the Board.

**Action:** Received status update. No action taken.

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**LEGISLATIVE MATTERS**

**ITEM 10: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING STATEWIDE DROUGHT CONDITIONS**

Mr. Ruiz provided a status update concerning this matter, and reviewed the District's Drought Communication Plan with the Board. Mr. Ruiz commented on the proactive steps which the District has taken prior to the adoption of Resolution No. 2014-1204 which implemented the Level 1 Water Supply Shortage/Water Watch Condition. Discussion occurred concerning public outreach methods implemented, which included the news announcements on the District's website, On Tap Newsletter articles, the District's Water Awareness Event in May, the Board-approved Water Use Efficiency budget increases, and the monthly recurring agenda item at the Regular Board Meetings. Discussion occurred concerning additional public outreach methods and the possibility of Public Outreach Consultant to assist District Staff.

Mr. Ruiz reviewed the public outreach methods implemented after the adoption of Resolution No. 2014-1204, which included frequent online Drought Alert Messaging, activation of the District's Drought Hotline, the redesign of the District's door hangers to notify customers of an Ordinance violation, and opportunities to speak at an upcoming City of Rancho Santa Margarita (City) Council Meeting concerning the District's Ordinance Level 1 activation. Discussion occurred concerning public outreach to local Homeowners' Associations; Mr. Ruiz mentioned that District Staff and Santa Margarita Water District (SMWD) staff delivered joint presentation at the Community Associations of Rancho Meeting on August 5, 2014. Mr. Ruiz added that District Staff and SMWD Staff met with City Staff to review the agencies' respective Ordinances and current activation levels. Mr. Ruiz highlighted planned outreach methods for September and October, which included bill inserts, yard signage for customers who demonstrate a commitment to wise water use, and the scheduled California Friendly Landscape Training Class for the end of September and March, 2015. Discussion occurred concerning recycled water usage district-wide, and current population levels in the District's service area.

**Action:** Received status update. No action taken.

**ITEM 11: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING METROPOLITAN WATER DISTRICT (MET) DIRECTOR NOMINATING COMMITTEE**

Mr. Ruiz presented this matter for discussion, and mentioned that Mr. Safranski had a status update on the matter to share with the Board. Mr. Safranski commented that the Nominating Committee had provided a nominee to MWDOC, and that some type of action is expected possibly in September, 2014. Mr. Safranski had no other updates concerning this matter.

**Action:** Received status update. No action taken.

**ITEM 12: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

Mr. Ruiz had commented on the following matters:

- Mr. Ruiz presented the Independent Special Districts' of Orange County (ISDOC) Notice of Election and Call for Candidates. Mr. Ruiz added that nominations for the Election are due by October 30<sup>th</sup>.

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- Mr. Ruiz presented a handout of the Specifics of the 2014 Water Bond Approved by the Legislature for Board review. Discussion occurred concerning the State Legislature bipartisan support for the Bond on the November General Election Ballot.

**Action:**        There was no action taken.

**OTHER MATTERS**

Mr. Ruiz had no other matters to discuss.

**ADDITIONAL DIRECTORS' COMMENTS**

There were no additions Directors' comments received.

**ADDITIONAL GENERAL MANAGER COMMENTS**

Mr. Ruiz had no additional comments.

**END ACTION CALENDAR**

**ADJOURNMENT**

President Safranski adjourned the August 20, 2014, Regular Board meeting at 8:06 PM