

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT
JANUARY 21, 2015**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by Vice President Glenn Acosta 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

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

DIRECTORS ABSENT

President 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. Don Chadd 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.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2015**

DIRECTOR'S COMMENTS

Mr. Mandich commented on his attendance at the City of Rancho Santa Margarita City Council Meeting and mentioned that Santa Margarita Water District (SMWD) staff presented their proposed water rate changes.

Mr. Safranski commented on his attendance, along with Mr. Acosta, at a meeting with County of Orange Supervisor Lisa Bartlett concerning the Alternate Raw Water Transmission Line Project (PW79). Discussion occurred concerning Supervisor Bartlett's comments on PW79. Mr. Safranski commented on water use efficiency devices.

Mr. Haselton had no comments.

Mr. Acosta commented on his attendance, along with Mr. Safranski, at the meeting with Supervisor Bartlett concerning PW79, and mentioned that the discussion was a broad view of the project which emphasized the significant project milestones and delays to date.

REPORT FROM THE GENERAL MANAGER

Mr. Ruiz reported on the following matters:

1. Mr. Ruiz mentioned that President Dopudja was not in attendance due to an out of town business trip.
2. Mr. Ruiz mentioned that the Municipal Water District of Orange County (MWDOC) Water Policy Forum and Dinner is scheduled for Thursday, February 5, 2014, and that any Directors interested in attending the event should advise Mr. Perea.
3. Mr. Ruiz mentioned that he would be out of town to attend the California Special District Association (CSDA) Special District Leadership Academy the following Monday through Wednesday, and that Mr. Perea would fill in during his absence.

ITEMS TOO LATE TO BE AGENDIZED

Mr. Ruiz commented that there was an item too late to be agendized and mentioned that District staff received notification that a Petition has been filed with the Workers' Compensation Appeals Board on behalf of a former District employee alleging Serious and Willful Misconduct by the District. Mr. Anslow recommended agendizing a Closed Session to discuss this matter and deliver any related announcements as Item 12 on the agenda as follows:

CLOSED SESSION NO. 1

CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:

Pursuant to Government Codes Sections 54956.9 (d) (1) and 54954.5 (c)

1 CASE – Worker's Compensation Appeals Board - Claim of John Gonzalez

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2015**

**ITEM 12: DISCUSSION AND POSSIBLE ACTION RELATED TO THE WORKER'S COMPENSATION
APPEALS BOARD SERIOUS AND WILLFUL MISCONDUCT CLAIM OF JOHN GONZALEZ**

Action: A motion was made by Director Haselton and seconded by Director Safranski to agendize a Closed Session to discuss the filed Petition of Serious and Willful Misconduct and Item 12 for any announcements related the discussion as recommended by District General Legal Counsel.
The motion carried 4 – 0 – 1 with President Dopudja absent.

CONSENT CALENDAR

Vice President Acosta served as the Chairperson over the meeting. Vice President Acosta 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. Vice President Acosta requested the removal of Item 4 from the Consent Calendar due to schedule adjustments.

Action: A motion was made by Director Safranski and seconded by Director Haselton to approve the Consent Calendar, Items 1 through 3.
The motion carried 4 – 0 – 1 with President Dopudja absent.

ACTION CALENDAR

ADMINISTRATIVE MATTERS

**ITEM 4: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/
ATTENDANCE ITEMS**

Vice President Acosta asked for District staff to amend his December, 2015, schedule to include his attendance at the following meetings: Association of California Water Agencies (ACWA) on December 1st, 2nd, & 4th, and the Water Advisory Commission meeting on December 12th.

Action: A motion was made by Director Safranski and seconded by Director Mandich to approve the Directors' Fees and Expenses Report, as amended
The motion carried 4 – 0 – 1 with President Dopudja absent.

**ITEM 5: DISCUSSION AND POSSIBLE ACTION CONCERNING DISTRICT ORGANIZATION, STAFFING AND
SUCCESSION PLANNING**

Mr. Ruiz presented this matter for Board discussion and reviewed the current District Organization Chart (Chart). Mr. Ruiz mentioned that the Chart reflects the advertised Administrative Assistant position and the planned Lead Mechanical Technician position. Mr. Ruiz provided a brief history of the Administrative Department staffing challenges to the Board, and mentioned that the Administration Assistant position has been accepted by a selected candidate with a start date of Monday, February 9th. Discussion occurred concerning the job duties of the Administrative Assistant position. Mr. Ruiz added that he plans to offer a temporary full-time Customer Service Representative position to a selected candidate to meet staffing challenges through the end of the fiscal year.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2015**

Mr. Ruiz mentioned that District staff has received notification from the Maintenance Department Superintendent that he intends to retire later this year. Mr. Ruiz added that District staff will advertise a Lead Mechanical Technician position, and plans to fill the position in the next month and begin the transition process. Discussion occurred concerning the position qualifications and the possibility of internal promotion; Mr. Ruiz mentioned that the position will be require a California Water Environment Association (CWEA) Mechanical Technologist Grade III within the first year of employment, and that any current District employees are welcome to apply for the position. Vice President Acosta, on behalf of the Board of Directors, expressed his appreciation for Mr. Bob Beck's service to the District. Discussion occurred concerning an event acknowledging Mr. Beck's service; Mr. Ruiz mentioned that District staff will advise the Board the scheduling of any event in honor of Mr. Beck.

Action: Received status update. No action taken.

ITEM 6: DISCUSSION AND POSSIBLE ACTION CONCERNING GENERAL MANAGER'S TECHNICAL ADVISORY SERVICES TO OTHER PUBLIC AGENCIES

Mr. Ruiz presented this matter for Board review, and mentioned that he has worked with other public agencies and municipalities, such as the City of Anaheim, in a voluntary, non-compensated capacity to provide mutually beneficial technical services to other public agencies. Discussion occurred concerning recent examples of technical advisory services which the General Manager has provided to date and have benefited the District.

Action: A motion was made by Director Safranski and seconded by Director Haselton to authorize the Board President to authorize the General Manager to provide Technical Advisory Services with other public agencies in accordance with the General Manager's Agreement.
The motion carried 4 – 0 – 1 with President Dopudja absent.

ENGINEERING MATTERS

ITEM 7: ALTERNATE RAW WATER TRANSMISSION LINE – PW79

Mr. Ruiz introduced Mr. Mark Bush, Project Manager with Tetra Tech. Mr. Ruiz provided a status update on this project, and mentioned that Vice President Acosta and Director Safranski met with County of Orange Supervisor Lisa Bartlett on January 7, 2015, to provide background information and current status of the project. Mr. Ruiz reviewed the Powerpoint presentation which was provided to Supervisor Bartlett. Discussion occurred concerning the complexity of the District's service area and the possibility of providing Supervisor Bartlett a tour of the District's facilities; Mr. Ruiz commented that a tour of the District's service area and facilities would be an excellent opportunity for Supervisor Bartlett to learn about the District. Discussion occurred concerning a temporary solution to mitigate the failure of the pipeline and the significance of an Emergency Response Plan specific to the pipeline; Mr. Ruiz mentioned that District staff is coordinating the preparation of a project-specific Emergency Response Plan with Tetra Tech (Consultant) which will address pre- and post-disaster emergency

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2015**

responses. Discussion occurred concerning major project milestones remaining and the status of coordination with Southern California Edison (SCE) for easement acquisition; Mr. Ruiz mentioned that District staff is scheduled to meet with SCE on Friday onsite to review easement access and project status. Mr. Ruiz presented a handout which summarized the proposals for real estate property appraiser services, and mentioned that the District, in following the Board's direction from the December 18, 2014 Regular Board Meeting, that staff has received five proposals for real property appraiser services. Mr. Ruiz mentioned that Mr. Rob Anslow and Mr. Jeff Hoskinson, District's legal counsels, had prepared the request for proposals, coordinated with the various firms, and reviewed the five proposals. Mr. Ruiz mentioned that Integra Realty Resources (IRR) has condemnation experience and has experience working with SCE. Mr. Ruiz recommended that the Board approve IRR's proposal real estate property appraiser service for the amount of \$24,000. Discussion occurred concerning conducting a visual site survey of the proposed pipe location and SCE easement. Mr. Mark Bush with Tetra Tech mentioned that Tetra Tech is prepared to assist with site survey work and mentioned that a pothole investigation could also be performed to determine the exact location of currently unknown sections of existing pipelines located along the SCE easement. Mr. Bush mentioned that this information would also be required for the condemnation process. Mr. Ruiz requested from the Board approval for assistance from Tetra Tech to conduct site field investigations as well assisting the District with condemnation assistance. Discussion occurred concerning the costs for the field work and scope of services.

Action: A motion was made by Director Safranski and seconded by Director Haselton to authorize the General Manager to contract with Integra Realty Resources for real estate property appraiser services for a not to exceed amount of \$24,000. The motion carried 4 – 0 – 1 with President Dopudja absent.

A motion was made Director Safranski and seconded by Director Haselton to authorize the General Manager to contract with Tetra Tech for site survey services, potholing services, and assistance for easement condemnation services for a not to exceed amount of \$30,000. The motion carried 4 – 0 – 1 with President Dopudja absent.

ITEM 8: BAKER WATER TREATMENT PLANT

Mr. Ruiz presented the January 2015 Construction Report and provided a status update on this project. Mr. Ruiz mentioned that the Project Committee (PC) met on Thursday, January 15th. Mr. Ruiz added that the recent wet weather has caused project delays which may result in future project change orders. Mr. Ruiz noted that per the multi-agency agreement that all contract change orders which exceed \$100,000 require that the participating agency be formally notified. Mr. Ruiz added that the contractor currently has 28 working days of negative float. Discussion occurred concerning project costs and contract change orders to date.

Action: Received status update. No action taken.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2015**

ITEM 9: SHADOW ROCK DETENTION BASIN FACILITY

Mr. Ruiz provided a status update on this project, and mentioned that there was no action required on this item. Ms. Lausten reviewed a Powerpoint presentation that highlighted project construction to date and the completion of the site work. Discussion occurred concerning project timeline for completion of the pump station and wet weather impacts; Ms. Lausten mentioned that the recent wet weather has caused project delays, but the contractor has worked on weekends to make up for the delays. Discussion occurred concerning the discovery of an abandoned 8-inch irrigation water drainage line at the project site. Mr. Ruiz mentioned that District staff originally planned and designed for a 4-inch drainage line extension, but that a change order was required for the larger 8-inch extension and for additional debris and wet material removal per the geotechnical engineer, GMU (Consultant).

Action: Received status update. No action taken.

LEGISLATIVE, ADMINISTRATIVE, AND OTHER MATTERS

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

Mr. Ruiz provided a status update concerning this matter, and mentioned that the District's monthly report to the State Water Board for the month of December demonstrated a water demand reduction of 26% from November, 2014, as well as a significant reduction in comparison with December, 2013. Mr. Ruiz mentioned that the upcoming MWDOC General Manager's Meeting is scheduled to review the Allocation Plan for member agencies in the event that Metropolitan Water District of Southern California (MET) implements additional mandatory restrictions and allocation limits. Mr. Ruiz added that any developments concerning this matter will be communicated with the Board.

Action: Received status update. No action taken.

ITEM 11: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Ruiz commented that there were no other matters to report. Mr. Mandich mentioned that he will be unable to attend the County of Orange Watershed Management Executive Committee Meeting on March 12, 2015, and requested that an alternate representative be assigned to attend the meeting. Mr. Ruiz mentioned that this matter could be coordinated with the Board President and agendaized for the next Regular Board Meeting.

Action: There was no action taken.

CLOSED SESSION

The Board, through Vice President Acosta, recessed the Open Session portion of the Meeting at 8:01 PM. The Board met in Closed Session as set forth in the Meeting Agenda.

CLOSED SESSION NO. 1

The Board, through Vice President Acosta reconvened the Open Session of the Meeting at 8:42 PM.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
JANUARY 21, 2015**

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Action: Mr. Anslow announced that the Board of Directors had provided direction to District staff and Legal Counsel concerning this matter. There was no other announcement concerning this matter, and no further action was taken.

OTHER MATTERS

There were no other matters for discussion received.

ADDITIONAL GENERAL MANAGER COMMENTS

There were no additional General Manager comments received.

ADDITIONAL DIRECTORS' COMMENTS

There were no additional Director comments received.

END ACTION CALENDAR

ADJOURNMENT

Vice President Acosta adjourned the January 21, 2015, Regular Board meeting at 8:44 PM.