



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | AUGUST 19, 2020

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on August 19, 2020 was called to order by President Safranski at 7:02 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 ON CONFERENCE CALL

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

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager/District Secretary
Jason Stroud, Maintenance Superintendent

STAFF PRESENT ON CONFERENCE CALL

Karen Warner, Senior Accountant
Lorrie Lausten, District Engineer

DISTRICT CONSULTANTS PRESENT

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

DISTRICT CONSULTANTS PRESENT ON CONFERENCE CALL

Cyndy Byerrum, District Treasurer (Eide Bailey)
Jeff Hoskinson, Partner, AALRR

PUBLIC PRESENT ON THE CONFERENCE CALL

Amber Baylor, Director of Environmental Compliance, South Orange County Wastewater Authority (SOCWA)
Norris Brandt, Executive Officer, San Juan Basin Authority (SJBA)
Dan Ferons, General Manager, Santa Margarita Water District (SMWD)
Michael Welch, Consultant Engineer
Beth Heard, Resident

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

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VISITOR PARTICIPATION

None

ORAL COMMUNICATION

Ms. Heard addressed the Board of Directors on the following matters:

“It is reported in the Whittaker Report prepared for Coto de Caza residents that the developer of the Legacy Project plans to construct a 40 foot high building on a total building area of 154,131 square feet, on a creek bed in Coto de Caza. In addition, this creek bed is part of the Canada Gobernadora, which is a protected stream as part of the San Juan Creek watershed and therefore subject to the Clean Water Act.

Question:

Does TCWD have a position on the proposed Coto de Caza Legacy development?

Question:

Are there negative impacts to TCWD projects or the provision of customer services due to the building of the proposed Legacy development in Coto de Caza?

Question:

Could any issues raised in the Whittaker Report also apply to future increased density development in the TCWD service area?”

President Safranski advised Ms. Heard that the Board could not take action or make a decision on these matters, expressed appreciation for her feedback, and referred her comments to Mr. Paludi to return to the Board at the following Board meeting.

DIRECTOR’S COMMENTS

Director Mandich congratulated Directors Chadd and Dopudja on their uncontested re-election to the Board of Directors. Director Mandich provided a status update on Senate Bill (SB) 1755, and he reported on his attendance at the South Orange County Watershed Management Area Executive Committee Meeting.

Director Dopudja congratulated Director Chadd on his uncontested re-election to the Board of Directors, and he provided a brief update on the SOCWA Board of Directors election process.

Director Acosta congratulated Directors Chadd and Dopudja on their uncontested re-election to the Board of Directors. Director Acosta provided a brief report on SB 1385, and he expressed his appreciation to District staff for the recent facility tour.

Director Chadd congratulated Director Dopudja on his uncontested re-election to the Board of Directors, and he reported that a Special Meeting of the South Orange County Agencies’ Group is scheduled for the following Tuesday.

Director Safranski reported on the following matters:

- Congratulated District staff on the completion of the development of the District’s new website.
- Provided a brief report on the Association of California Water Agencies (ACWA) Virtual Conference sessions that he attended.
- Requested that District staff agendaize a review of the District’s Conflict of Interest Code.
- Provided the following public announcement:

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“In connection with the Paloma Square development, I have appointed Stephen Dopudja and Don Chadd to an Ad Hoc Committee for the Paloma Square Proposal. Given the importance of the development of the parcel adjoining our headquarters, this ad hoc committee will work with the General Manager and counsel to review the development plans, engage with community stakeholders including the City, the developer, and local residents, and advise this board on its conclusions and recommendations. I have also disbanded the more generally-named Real Property Ad Hoc committee for a lack of other current projects.”

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Recognized District staff Robert Baldwin, Tony Quinonez, and Robbie Barger on for winning the ACWA-JPIA H.R. LaBounty Safety Award for their safety and ergonomic improvements to the District’s chemical delivery vehicle.
- Recognized District staff for their hard work during the recent high temperature weather and for their prompt response to Southern California Edison’s (SCE) multiple unplanned emergency power outages that impacted District facilities. Mr. Perea provided a brief review of the California Independent System Operator (CAISO) electrical power outages (blackouts) that occurred the prior week, and highlighted the differences between the blackouts, Public Safety Power Shutoffs (PSPS), planned outages for SCE improvements, and unplanned emergency outages.

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.

Director Mandich requested to remove items 1 and 5 from the Consent Calendar.

Action: A motion was made by Director Mandich and seconded by Director Acosta to approve the balance of the Consent Calendar Items. There was no further discussion.
The motion was approved by a vote of 5 - 0.

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETINGS

Director Mandich asked that the minutes be updated to reflect his comments concerning his request for a comparison of the District’s capacity charges with neighboring agencies.

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

Director Mandich indicated that he did not attend the Water Advisory Commission of Orange County (WACO) meeting and he requested that his schedule be amended as such.

Action: A motion was made by Director Mandich and seconded by Director Acosta to approve items 1 and 5 as amended. There was no further discussion.
The motion was approved by a vote of 5 - 0.

ADMINISTRATIVE MATTERS

ITEM 6: SOUTH ORANGE COUNTY WASTEWATER AUTHORITY – SALT AND NUTRIENT MANAGEMENT PLAN COOPERATIVE AGREEMENT REGARDING WATERSHED MONITORING

Mr. Paludi presented this matter for Board consideration, and he introduced Ms. Baylor and Mr. Brandt to the Board. Mr. Paludi reported that this matter was reviewed with the Engineering/Operational Committee. Ms.

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Baylor delivered a PowerPoint presentation concerning the Salt and Nutrient Management Plan (SNMP) which provides regulatory coverage to SOCWA member agencies that produce recycled water, including TCWD. Ms. Baylor provided the legislative background on the development of the SNMP and the various plan updates since its original adoption. Ms. Baylor indicated that SOCWA's goal was to complete the SNMP update before the end of the calendar year.

Mr. Brandt delivered a PowerPoint presentation on the benefits to the District in continued participation in the SNMP Cooperative Agreement with members of the San Juan Basin Authority (SJBA), to which the District has been a partner since 2016. Discussion occurred concerning certain provisions of the Agreement and associated budgetary costs, as well as a brief overview of the SNMP Monitoring and Data Collection Program Work Plan. Director Chadd recommended deferring this matter to the next Regular Board Meeting for Board action.

Action: The Board of Directors, through President Safranski, deferred action on this matter to the September 16, 2020 Regular Board Meeting. There was no further action taken.

ITEM 7: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) JOINT POWERS AUTHORITY (JPA) REVISIONS

Mr. Paludi presented this matter for Board consideration, and he mentioned that Mr. Hoskinson was prepared to provide an update concerning the ongoing discussions between SOCWA general legal counsel and member agency legal counsel related to proposed revisions to the Joint Powers Agreement (JPA). Mr. Hoskinson delivered a PowerPoint presentation for Board review, and he reported this update was for informational purposes only and there was no action required by the Board at this time. Mr. Hoskinson briefly highlighted certain areas of the JPA that have been reviewed by the legal counsel representatives, including, but not limited to, member agency withdrawal provisions, member agency indemnification obligations, and budgetary consideration based on total member agencies. Discussion occurred concerning the potential considerations for the District related to continued participation as a member agency of SOCWA.

Action: The Board took no action on this matter.

ITEM 8: 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 provided a brief update on this matter to the Board, and he reported that the District's Administration Facility has continued to be closed to the public due to the Governor's action related to the impacts of COVID-19. Discussion occurred concerning the current countywide hospitalization and case count trends, and the potential for future public meeting scheduling consistent with the Governor's Order.

Action: The Board took no action on this matter.

Director Mandich recused himself from discussion on the following matters by physically leaving the Conference Call at approximately 8:29 p.m.

ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO THE PROPOSED PALOMA SQUARE DEVELOPMENT (DOVE CANYON PLAZA) AND OTHER RELATED MATTERS

Mr. Paludi provided a brief update on this matter, and he reported that the District had not received any contact from the Plaza owner nor the developer to date.

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Director Acosta reported that Senate Bill (SB) 1385 has stalled out in committee and appears to no longer be a threat.

Mr. Paludi indicated the District's Special Legal Counsel is currently preparing an update for the Ad Hoc Committee's consideration and review.

Action: The Board took no action on this matter.

Director Mandich returned to the Board Room at approximately 8:34 p.m. and resumed his participation on the remaining business.

FINANCIAL MATTERS

ITEM 10: PUBLIC HEARING; DISCUSSION AND POSSIBLE ACTION(S) RELATING TO THE PROPOSED ADJUSTEMENT TO TRABUCO CANYON WATER DISTRICT'S CAPACITY CHARGES FOR WATER SERVICE

Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Mr. Lausten provided an overview of the PSOMAS Engineering report which analyzed the impacts of inflation rates on the District's costs related to design, construction, and acquisition of facilities, and she briefly reviewed that procedural requirements taken by District staff consistent with Proposition 218.

President Safranski opened the Public Hearing at approximately 8:36 pm.

Mr. Paludi reported that District staff have not received any written or verbal protests to the proposed capacity charges. There were no protests from members of the public.

President Safranski closed the Public Hearing at approximately 8:38 pm.

Director Mandich commented that although he agreed with the proposed changes to the District's capacity charges, he had requested that District staff prepare a comparison of the proposed charges with neighboring water agencies at the prior Regular Board Meeting. Discussion occurred concerning the proposed capacity charge adjustments and the potential impacts on deferring action on this matter; Mr. Anslow commented that if the methodology used by PSOMAS Engineering to determine the proposed capacity remains unchanged that there is no need for an additional Public Hearing.

Action: The Board of Directors, through President Safranski, deferred action on this matter to the September 16, 2020 Regular Board Meeting. There was no further action taken.

ENGINEERING MATTERS

ITEM 11: DISCUSSION AND RATIFICATION OF CONTRACT CHANGE ORDER NO. 2 TO FERREIRA CONSTRUCTION FOR DOVE/ROBINSON RANCH RECYCLED WATER PUMP STATION REHABILITATION PROJECT

Mr. Paludi presented this matter to the Board for consideration, and he mentioned this matter was reviewed with and approved by the Engineering/Operational Committee. Ms. Lausten provided a brief project update, and she reported that Ferreira Construction has issued a contract change order for extra work due to unforeseen conditions, including the replacement of four Victaulic butterfly valves, two check valves, and additional related appurtenances.

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Action: A motion was made by Director Dopudja and seconded by Director Mandich to ratify Contract Change Order No. 2 to Ferreira Construction for a not to exceed amount of \$41,360.40. There was no further discussion.
The motion was approved by a vote of 5 – 0.

ITEM 12: BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT UPDATE

Mr. Paludi introduced this matter for Board review, and he mentioned this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a brief project update, and she delivered a PowerPoint presentation which reviewed proposed construction fence alternatives to improve the general aesthetics as well as durability during project construction. Discussion occurred concerning the feasibility and costs associated with the construction fence alternatives.

Action: The Board of Directors, through President Safranski, directed the General Manager and District Engineer to work with Dove Canyon Master Association to select the appropriate construction fencing. There was no further action taken.

ITEM 13: TRABUCO CREEK BRIDGE REHABILITATION PROJECT UPDATE

Mr. Paludi introduced this matter for Board review, and he mentioned this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a brief informational project update, and she presented Orange County Public Works (OCPW) project-related materials for Board consideration and review. Discussion occurred concerning the potential impacts to the District’s infrastructure and facilities adjacent to the proposed project area. Director Chadd expressed his concerns with the project options, and he urged District staff to ensure that OCPW is fully informed of the potential significant impacts of their proposed project to the District’s domestic water pipelines, facilities, and adjacent property. Director Acosta recommended that District staff meet with OCPW and County Supervisor Wagner to provide an overview of the District’s concerns with this project.

Action: The Board took no action on this matter.

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

ITEM 14: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Anslow provided a brief update on the Wilde v. Dunsmuir case for Board review.

Action: The Board took no action on this matter.

CLOSED SESSION

The Board of Directors entered Closed Session at 9:28 p.m.

CLOSED SESSION NO. 1. CONFIDENTIAL INFORMATION – PUBLIC EMPLOYMENT TRABUCO CANYON WATER DISTRICT

Pursuant to California Government Code Sections 54957(b) and 54954.5(e), the Board of Directors met in closed session regarding to review and discuss confidential information concerning the District’s General Manager (Public Employment)

The Board of Directors reconvened in Open Session at 10:57 p.m.

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ITEM 15: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Mr. Anslow reported the following action was taken by the Board of Directors in Closed Session.

Action: A motion was made by Director Safranski and seconded by Director Acosta to extend the General Manager’s Service Agreement for one year. The motion carried 5 – 0.
There were no other announcements.

OTHER INFORMATION/MATTERS

There were no other information or matters received.

ADDITIONAL DIRECTORS’ COMMENTS

There were no additional Directors’ comments received.

ADDITIONAL GENERAL MANAGER COMMENTS

Mr. Paludi expressed his appreciation to the Board of Directors for the service agreement extension.

ADJOURNMENT

President Safranski adjourned the August 19, 2020 Regular Board Meeting at 11:00 p.m.