



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | SEPTEMBER 16, 2020**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on September 16, 2020 was called to order by President Safranski 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 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

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

Lisa Marie Sangi, Administrative Assistant  
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**

None

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

Mark Monin, Director, El Toro Water District  
Chris Palmer, California Special District Association (CSDA)  
Patti Gentile, Resident  
Beth Heard, Resident

### **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

### **VISITOR PARTICIPATION**

Mark Monin requested support from the Board of Directors for his candidacy for the Independent Special Districts of Orange County (ISDOC) Executive Committee President position.

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Chis Palmer, Senior Public Affairs Field Coordinator for California Special Districts Association (CSDA) delivered a brief presentation concerning legislative impacts with potential impacts to special districts.

**ORAL COMMUNICATION**

None

**DIRECTOR'S COMMENTS**

Director Mandich thanked Director Chadd for filling in at the Engineering/Operation Committee Meeting in his absence.

Director Acosta had no comments.

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 Chadd congratulated Director Dopudja on his uncontested re-election to the Board of Directors. Director Chadd reported that the South Orange County Agencies Group is scheduled to meet the following week to review the MET Director selection process.

Director Safranski welcomed the members of the public to the meeting.

**REPORT FROM THE GENERAL MANAGER**

- Mr. Paludi reported that he will be on vacation at the end of the month.
- Mr. Paludi reported that Ralph Anderson & Associates were currently completing the review of the submitted job analysis questionnaires and compiling the list of comparative agencies.
- Mr. Paludi reported that District staff will schedule a Special Board Meeting Rates Workshop for a rate analysis update from Raftelis Financial Consultants in October.
- Mr. Paludi provided a personnel recruiting update, and he mentioned that the District will post an open position notice for a Customer Service Representative position.
- Mr. Paludi indicated that agenda item 7 was to be pulled as more information is needed on this item.

**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.

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

**ADMINISTRATIVE MATTERS**

**ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE DISTRICT'S RESPONSE TO THE CORONAVIRUS PANDEMIC, INCLUDING SAFETY OF DISTRICT SERVICES AND EMPLOYEES, AND/OR IMPACT TO BOARD & COMMITTEE MEETINGS**

Mr. Paludi provided an update on this matter, and he mentioned that the County had moved from Risk Level - Widespread (Purple) to Risk Level – Substantial (Red) on the Governor's COVID-19 response criteria. Mr. Paludi added that the District's Administration Facility is currently closed to the public in response, and he mentioned

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that most south county agencies are closed as well. Mr. Safranski mentioned that the next Regular Board Meeting would meet in person, unless instructed by the County; Mr. Perea recommended that the District's public meeting continue in a hybrid manner which would allow for Directors and District staff to meet in person with teleconferencing available for the public.

**Action:** The Board took no action on this matter.

*Director Mandich recused himself from discussion on the following matters by physically leaving the Board Room at approximately at 7:41pm*

**ITEM 6: 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 provided a brief update on this matter, and he mentioned there has been apparent lack of activity, and he mentioned that the District has not been contacted by the Developer. Mr. Paludi mentioned that he would reach out to Mr. Michael Battaglia of Taylor Morrison (formerly William Lyon Homes). Director Dopudja provided a brief report on the recent District Ad Hoc Committee Meeting with Special Legal Counsel, and he provided a brief report on his attendance at the Dove Canyon Ad Hoc Committee Meeting.

**Action:** The Board took no action on this matter.

*Director Mandich returned to the Board Room at approximately 7:46 p.m. and resumed his participation on the remaining business.*

**ITEM 8: DISCUSSION CONCERNING THE ADOPTION OF SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) PROPOSED WASTE DISCHARGE PRETREATMENT ORDINANCE AND SOURCE CONTROL PROGRAM FOR WASTEWATER FLOWS UPDATE AND ENFORCEMENT PLAN UPDATE**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter was previously reviewed with the Engineering/Operational Committee. Mr. Perea provided a brief review on the purpose of the Pretreatment Ordinance and Source Control Program, and he mentioned that it was periodically reviewed and updated. Mr. Perea briefly summarized the proposed changes, and reviewed the notification posting requirements for the required public hearing to be schedule for the November 18, 2020 Regular Board Meeting.

**Action:** A motion was made by Director Mandich and seconded by Director Chadd to agendize Public Hearing and authorize District staff to furnish Notice of Public Hearing and Notice of Intention of adoption of Ordinance No. 2020-21 for the November 18, 2020 Regular Board Meeting.  
The motion was approved by a vote of 5 - 0.

**ITEM 9: ADOPTION OF THE 2020 UPDATE TO THE ORANGE COUNTY OPERATIONAL AREA AGREEMENT OF THE COUNTY OF ORANGE AND POLITICAL SUBDIVISIONS**

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Mr. Paludi presented this matter for Board review, and he mentioned that this matter was reviewed with General Legal Counsel. Mr. Paludi reported that the Operational Area Agreement is periodically reviewed by the Orange County Board of Supervisors and it provides the legal basis for inter-agency cooperation. Discussion occurred concerning certain agreement provisions.

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**Action:** A motion was made by Director Chadd and seconded by Director Dopudja to adopt and authorize the General Manager to execute the 2020 County of Orange Operational Area Agreement.  
The motion was approved by a vote of 5 - 0.

**ITEM 10: ADOPTION OF RESOLUTION CONCERNING APPLICATION FOR THE U.S. BUREAU OF RECLAMATION'S WATERSMART GRANTS PROGRAM FOR AN AUTOMATIC METER READING/ADVANCED METERING INFRASTRUCTURE (AMR/AMI) IMPLEMENTATION PROJECT**

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Mr. Paludi provided a brief update on this matter, and he reported that District staff has been working diligently with consultants Soto Resources. Mr. Perea reported that this matter had been previously presented to both the Engineering/Operational Committee and Finance/Audit Committee, and he mentioned that approximately twenty (20) percent of the District's service area has been converted to AMR meters. Mr. Perea briefly review the U.S. Bureau of Reclamation (USBR) application criteria which includes Board adoption of a resolution in support of the proposed project. Discussion occurred concerning the benefits of an AMI system to District customers, including an online customer portal with real time data.

**Action:** A motion was made by Director Mandich and seconded by Director Dopudja adopt Resolution No. 2020-1283 – Resolution of the Board of Directors of the Trabuco Canyon Water District Authorizing the Submittal of an Application for the WaterSMART: Water and Energy Efficiency Grants for 2020 and 2021.  
The motion was approved by a vote of 5 - 0.

**ITEM 11: DISCUSSION CONCERNING CONFLICTS OF INTEREST, INCLUDING 2020 BIENNIAL REVIEW OF TRABUCO CANYON WATER DISTRICT'S CONFLICT OF INTEREST CODE**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter was to clarify certain guidelines related Director recusal due to a perceived conflict of interest. Mr. Paludi presented a handout prepared by General Legal Counsel which detailed a conflict of interest review process for Board consideration. Discussion occurred concerning the simplification of the review process and the development of a checklist for future perceived conflict of interest review. President Safranski requested that District staff and General Legal Counsel prepare a simpler review process for Board consideration.

Mr. Perea provided a brief review of the District's Conflict of Interest Code (COI Code) with the County of Orange Board of Supervisors, and he reported that the District is required to review the COI Code on a biennial basis. Mr. Perea indicated that the current COI Code was adopted by the Board in 2018, and he did not recommend any updates at this time.

**Action:** The Board took no action on this matter.

**FINANCIAL MATTERS**

**ITEM 12: ADOPTION OF RESOLUTION RELATING TO THE PROPOSED ADJUSTMENT TO TRABUCO CANYON WATER DISTRICT'S CAPACITY CHARGES FOR WATER SERVICE**

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Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter was reviewed the with the Board the prior month. Ms. Lausten delivered a PowerPoint presentation that compared the District's capacity charges with neighboring agencies. Ms. Lausten commented that District staff has complied with the Proposition 218 requirements, and she recommended the adoption of the capacity charges by resolution.

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**Action:** A motion was made by Director Acosta and seconded by Director Chadd adopt Resolution No. 2020 – 1282 – Resolution of the Board of Directors of the Trabuco Canyon Water District (TCWD) Determining Compliance with Procedural Requirements, Making Findings, Amending Capacity Charge Rates, Amending the Rules and Regulations of TCWD and Taking Related Actions.  
The motion was approved by a vote of 5 – 0.

**ITEM 13: ADOPTION OF RESOLUTIONS CONCERNING TRABUCO CANYON WATER DISTRICT HEALTH BENEFIT COSTS FOR 2020 OPEN ENROLLMENT**

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Mr. Paludi presented this matter for Board review, and he commented this matter was reviewed with the Finance/Audit Committee. Mr. Perea reported that CalPERS typically provides updated health benefit rates information in late June/early July, but that the rates were released later in the year due to the impacts of COVID-19. Mr. Perea reported that the District’s benchmark plan PERS Choice increased by approximately six (6) percent overall.

**Action:** A motion was made by Director Dopudja and seconded by Director Acosta as follows:

- Adopt Resolution No. 2020-1284 – Resolution of the Board of Directors of Trabuco Canyon Water District Fixing the Employer Contribution at an Equal Amount of Employees and Annuitants Under the Public Employees’ Medical and Hospital Care Act (PERS Members).
- Adopt Resolution No. 2020-1285 - Resolution of the Board of Directors of Trabuco Canyon Water District Fixing the Employer Contribution at an Equal Amount of Employees and Annuitants Under the Public Employees’ Medical and Hospital Care Act (Non-PERS Members).

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

**ITEM 14: APPROVAL OF THE DISPOSAL OF SURPLUS EQUIPMENT (DISTRICT VEHICLES) IN ACCORDANCE WITH DISTRICT POLICY REGARDING THE DISPOSAL OF SURPLUS PROPERTY OTHER THAN REAL PROPERTY**

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Mr. Paludi introduced this matter for Board review. Mr. Perea mentioned this matter was reviewed with the Finance/Audit Committee, and he highlighted the regulatory impacts on certain District vehicles that have been identified by staff for disposal in accordance with the District’s Policy Regarding the Disposal of Surplus Property Other Than Real Property. Mr. Perea reviewed the Surplus Equipment Survey Report prepared by District staff. Discussion occurred concerning the Air Quality Management District and California Air Resource Board regulatory impacts on heavy duty diesel vehicles and equipment. Director Dopudja asked District staff to present additional information concerning the regulatory impacts to the Engineering/Operational Committee.

**Action:** A motion was made by Director Mandich and seconded by Director Acosta.  
Approve the disposal of surplus equipment (District vehicles) in accordance with District Policy Regarding the Disposal of Surplus Property Other Than Real Property.  
The motion was approved by a vote of 5 – 0.

**ITEM 15: RATIFICATION OF PURCHASE OF A VEHICLE FOR TRABUCO CANYON WATER DISTRICT’S HEAVY EQUIPMENT VEHICLE FLEET**

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Mr. Paludi presented this matter for Board review, and he mentioned that this matter was previously reviewed with the Finance/Audit Committee. Mr. Perea reported that the Finance/Audit Committee approved the purchase of the dump truck budgeted for Fiscal Year 2020/2021, and he provided a review of the three vehicle quotes and

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photographs. Director Safranski commended District staff on their due diligence in reviewing the different types of vehicles and selecting a vehicle that meets the District’s needs while saving \$40,000.

**Action:** A motion was made by Director Chadd and seconded by Director Dopudja ratify the purchase of one new 2021 Ford F650 truck from Tuttle Click Automotive Group for a not to exceed amount of \$89,705.  
The motion was approved by a vote of 5 – 0.

**LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS**

**ITEM 16: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)**

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Mr. Paludi provided updates on the following matters:

- Metropolitan Water District of Southern California (MET) Board of Directors adopted a budget with lower rate increases for Fiscal Years 2020/2021 and 2021/2022 which will directly impact the District’s imported water supply purchases.
- The Municipal Water District of Orange County (MWDOC) has requested input from member agencies on legislative priorities by early October.
- The Santiago Aqueduct Commission regular meeting is scheduled for the following week, and Director Chadd is the District’s representative.
- The South Orange County Agencies Group Joint Meeting with MWDCO and Orange County Water District is scheduled for the following week.
- Mr. Paludi reported that the District received an email from Water Education for Latino Leaders (WELL) that made inaccurate statements concerning the District’s water quality sampling and reporting, and he mentioned that General Legal Counsel has been briefed on the matter.

**Action:** The Board took no action on this matter.

**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 September 16, 2020 Regular Board Meeting at 8:54 p.m.