



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | OCTOBER 21, 2020

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on October 21, 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

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
Lisa Marie Sangi, Administrative Assistant
Lorrie Lausten, District Engineer

STAFF PRESENT ON CONFERENCE CALL

None

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

Beth Heard, Resident

PLEDGE OF ALLEGIANCE

Director Acosta 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

None

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DIRECTOR'S COMMENTS

Director Mandich reported on his virtual attendance at the Santa Margarita Water District Trampas Dam Reservoir Virtual Event.

Director Dopudja reported on his virtual attendance at the Santa Margarita Water District Trampas Dam Reservoir Virtual Event. Director Dopudja reported there were no updates concerning the South Orange County Wastewater Authority (SOCWA).

Director Chadd had no comments.

Director Acosta reported on his attendance at the City of Rancho Santa Margarita City Council Meetings.

Director Safranski reported on his virtual attendance at the Santa Margarita Water District Trampas Dam Reservoir Virtual Event, and he mentioned that he worked with the General Manager to send a letter to Santa Margarita Water District commending them on this project.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Mr. Paludi reminded the Board of Directors that the District's Administration Facility will serve as an early voting center for the 2020 General Election for the Orange County Registrar of Voters.
- Mr. Paludi mentioned that the District had received a reimbursement check from the CalOES for the Alternate Raw Water Transmission Line Project as approved by the Federal Emergency Management Agency (FEMA).
- Mr. Paludi reported that Ralph Anderson & Associates were currently compiling the data and identified the list of comparative agencies for the Salary Survey, and that a report will be brought to the Board of Directors before the end of the year.
- Mr. Paludi reported that District staff is working with the Rutter Development Corporation on the reservoir and pump station testing prior to home construction, and that District staff was scheduled to meet with Rutter the following day.

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 Consent Calendar. 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 CORONAVIRUS, INCLUDING SAFETY OF DISTRICT SERVICES AND EMPLOYEES, AND IMPACT TO BOARD & COMMITTEE MEETINGS

Mr. Paludi provided a brief update on COVID-19 related matters throughout the county, and he mentioned that District staff support the current hybrid-meeting arrangement for public meetings. There were no other matters reported.

Action: The Board took no action on this matter.

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Director Mandich recused himself from discussion on the following matters by physically leaving the Board Room at approximately at 7:16pm

ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO THE PROPOSED PALOMA SQUARE DEVELOPMENT (DOVE CANYON PLAZA) AND OTHER RELATED MATTERS

Mr. Paludi presented this matter for Board consideration, and he mentioned there were no new related matters to report. Mr. Paludi mentioned that he contacted Mr. Michael Battaglia, formerly of Taylor Morrison Homes (formerly William Lyon Homes), and he mentioned that it is was indicated that the project is not active at this time due to the District's easements.

Ms. Lausten provided a brief update on the organizational changes which impact the parking study performed by Albert Grover & Associates, and she reported that AGA Engineers, Inc (AGA). has assumed their clients. Ms. Lausten recommended that the Board of Directors approve the Assumption and Assignment of Contract to AGA. Discussion occurred concerning the scope of work for the study; Ms. Lausten mentioned that AGA would be onsite on November 3, 2020 for Election Day to monitor vehicle traffic and pedestrian access to the District's Administration Facility.

Action: A motion was made by Director Acosta and seconded by Dopudja to authorize the General Manager to execute the Assumption and Assignment of Contract from Albert Grover and Associates to AGA Engineers, Inc.

Director Mandich returned to the Board Room at approximately 7:24 p.m. and resumed his participation on the remaining business.

ITEM 7: DISCUSSION AND APPROVAL OF NOTICE OF PUBLIC HEARING ON PROPOSED WATER, WASTEWATER, AND RECYCLED WATER RATE ADJUSTMENTS

Mr. Paludi provided a brief report on the proposed water, wastewater, and recycled water rate and charges analysis (Rate Study) to date, and he briefly reviewed the internal analysis of non-domestic water peaking impacts and demand impacts which support the development of a blended uniform rate for non-domestic water users. Discussion occurred concerning the overall impact on non-domestic water users over the five-year period; Mr. Paludi indicated that the increases were modified to ramp up over the first two-years to allow non-domestic water users to budget appropriately for the increases. The Board of Directors commended District staff for the considerations made for District customers in the current economic climate due to the impacts of COVID-19. President Safranski asked District staff to clarify the Notice of Public Hearing notification process; Mr. Perea reported that the Notice of Public Hearing would be mailed to affected customers no later than October 30th in accordance with Proposition 218 and State Law in order for the Public Hearing to be held on December 16, 2020.

Action: A motion was made by Director Acosta and seconded by Director Mandich on the following matters:

- Authorization to District staff to move forward with the preparation of the DRAFT Rate Study and Report and other related matters for a Public Hearing at the December 16, 2020 Regular Board Meeting.
- Approve form of, and authorize District staff to publish, post, and mail the Notice of Public Hearing concerning Proposed Water, Wastewater, and Recycled Water Rate Adjustments in accordance with Proposition 218 and District Policies.

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

ITEM 8: APPROVAL OF CONTRACT WITH TESCO CONTROLS FOR THE PURCHASE OF SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) EQUIPMENT FOR THE DISTRICT'S SCADA SYSTEM UPGRADE PROJECT

Mr. Paludi introduced this matter for Board consideration, and he mentioned that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a brief project status update, and she highlighted the SCADA system upgrades completed to date. Ms. Lausten delivered a PowerPoint presentation for Board review, and she reported that the Fiscal Year 2020/2021 CIP Budget for this project is \$600,000. Director Safranski asked District staff about the cost breakdown for hardware/software and labor/integration costs; Ms. Lausten commented that she would provide that information to the Board.

Action: A motion was made by Director Acosta and seconded by Director Dopudja to authorize the General Manager to execute a contract for the Fiscal Year 2020-2021 SCADA Upgrades to TESCO Controls, Inc. in the not to exceed amount of \$580,120.
The motion was approved by a vote of 5 - 0.

ITEM 9: SKYRIDGE BY LENNAR HOMES OF CALIFORNIA, INC. – ACCEPTANCE OF WATER, NON-DOMESTIC WATER, AND SEWER FACILITIES CONSTRUCTED IN TRACT NO. 17392 AND OFFSITE IMPROVEMENTS

Mr. Paludi presented this matter for Board review, and he mentioned this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that typically this matter is presented to the Board for consideration after the development is completed, but that the matter was missed by District staff. Ms. Lausten recommended the Board accept the water, sewer, and non-domestic water facilities and offsite improvements in accordance with District Policy by resolution.

Action: A motion was made by Director Acosta and seconded by Director Mandich to adopt Resolution No. 2020-1287 – Resolution of the Board of Directors of Trabuco Canyon Water District Accepting Water, Non-Domestic Water, and Sewer Facilities Constructed Within Tract No. 17392 and Accepting Off-Site Improvements (Skyridge by Lennar Homes of California, Inc.).
The motion was approved by a vote of 5 - 0.

ITEM 10: APPROVAL OF CONTRACT AMENDMENT WITH TETRA TECH ENGINEERING FOR PORTER PROPERTY RESERVOIR PLANNING LEVEL CONSTRUCTION COST ESTIMATE

Mr. Paludi provided a brief update on this matter, and he mentioned this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that the Engineering/Operational Committee recommended that District staff evaluate the feasibility of constructing a domestic water reservoir on the District-owned Porter Property, and she presented a contract amendment from Tetra Tech Engineering for a planning level construction cost estimate for the recommended work. Mr. Paludi reported that the cost for the proposed work would not be shared with the developer of Saddleback Meadows.

Action: A motion was made by Director Dopudja and seconded by Director Acosta to approve contract amendment with Tetra Tech Engineering for Porter Property Reservoir Planning Level Construction Cost Estimate for a not to exceed amount of \$11,880.
The motion was approved by a vote of 5 - 0.

ITEM 11: APPROVAL OF CONTRACT WITH FERREIRA CONSTRUCTION FOR SILVERTREE LANE PIPELINE IMPROVEMENTS

Mr. Paludi introduced this matter for Board consideration, and he commended Ferreira Construction (Contractor) for the work completed to date and recognized District Operations staff for their hard work as well. Ms. Lausten

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mentioned this matter was reviewed with, and approved by, the Engineering/Operational Committee, and she provided a brief overview of the project work completed to date. Ms. Lausten recommended that the Board of Directors ratify the contract with Ferreira Construction for the project work on a time and materials basis for a not to exceed amount of \$450,000 without further Board approval. Discussion occurred concerning project timeline for completion.

Action: A motion was made by Director Chadd and seconded by Director Dopudja to ratify the contract with Ferreira Construction for the Slivertree Lane Water Main Replacement Project on Time and Materials Basis, for a not to exceed amount of \$450,000 without further Board approval
The motion was approved by a vote of 5 - 0.

LEGISLATIVE, ADMINISTRATIVE AND OTHER

ITEM 12: ELECTION OF INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC) EXECUTIVE COMMITTEE OFFICERS

Mr. Paludi introduced this matter for Board consideration, and he mentioned that Mr. Mark Monin, Director of El Toro Water District, requested support from the Board of Directors at the prior Regular Board Meeting. Discussion occurred concerning the candidates for the open position. Director Acosta, the District's ISDOC representative, recommended Mr. Monin for the position.

Action: A motion was made by Director Mandich and seconded by Director Dopudja to authorize vote for El Toro Water District Director Mark Monin through the District Board of Directors ISDOC representative for the ISDOC Executive Committee President for 2021, and to authorize and direct District staff to submit the ISDOC official ballot accordingly.
The motion was approved by a vote of 5 – 0.

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

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

Mr. Paludi provided updates on the following matters:

- **Municipal Water District of Orange County (MWDOC):** Mr. Paludi reported that MWDOC is currently conducting seismic retrofit and remodel of their administrative building; MWDOC is currently performing an Economic Study to evaluate the impacts of water service interruption in their service area.
- **Metropolitan Water District of Southern California (MET):** Mr. Paludi reported that MET Board of Directors have started a recruitment process for a new General Manager.

Action: The Board took no action on this matter.

CLOSED SESSION

The Board of Directors entered Closed Session at 8:04 p.m.

CLOSED SESSION NO. 1: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

The Board of Directors met in Closed Session regarding significant exposure to legal proceedings and/or litigation pursuant to Government Code Sections 54956.9(d)(2) and 54954.5(c) - Number of Potential Cases: 1

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The District's General Manager, Assistant General Manager, and General Legal Counsel participated in the closed session.

CLOSED SESSION NO. 2: CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The Board of Directors met in Closed Session regarding Government Code Sections 54956.8 and 54954.5(b) - Property: Real Property located at APN Nos. 842-061-05, 842-061-06, and 842-061-07, Trabuco Canyon, California.
District Negotiator: General Manager
Negotiating parties: Trabuco Canyon Water District & Irvine Ranch Water District
Under negotiation: Price and Terms/Conditions of Sale

The District's General Manager, Assistant General Manager, and General Legal Counsel participated in the closed session.

The Board of Directors reconvened in Open Session at 9:00 p.m.

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

Action: No announcement concerning action(s) taken in closed session was made.

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

None

ADJOURNMENT

President Safranski adjourned the October 21, 2020 Regular Board Meeting at 9:04 p.m.