



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | SEPTEMBER 16, 2021

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on September 16, 2021 was called to order by President Chadd at 7:01 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 Don Chadd
Vice President Stephen Dopudja
Director Glenn Acosta
Director Edward Mandich
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Jason Stroud, Maintenance Superintendent
Lisa Marie Sangi, Executive Assistant

STAFF PRESENT VIA CONFERENCE CALL

Lorrie Lausten, District Engineer

DISTRICT CONSULTANTS PRESENT

Claire Collins, Hanson Bridgett LLP – District General Counsel

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 VIA CONFERENCE CALL

Adam Milauskas, Ferguson Waterworks

DIRECTOR'S COMMENTS

Director Mandich reported on his attendance at the Communities Associations of Rancho (CAR) meeting which discussed the City of Rancho Santa Margarita Regional Housing Needs Assessment (RHNA) requirements.

Director Dopudja reported on his attendance at the South Orange County Wastewater Authority (SOCWA) Regular Board Meeting, and he briefly highlighted discussion at the meeting concerning the organizational structure of

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the authority. Director Dopudja reported on his attendance at the Urban Water Institute (UWI) Annual Conference.

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

Director Safranski reported on his attendance City of Rancho Santa Margarita City Council meeting, and he commented a presentation by Santa Margarita Water District (SMWD) to the Council highlighting the current drought impacts.

Director Chadd reported on his attendance at the Santiago Aqueduct Commission (SAC) meeting and provided a handout which reviewed the approved repairs to the SAC line. Discussion occurred concerning certain budgetary concerns and the District's proportional share of costs.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- El Toro Water District is hosting the South Orange County Agencies Group Joint Meeting with Municipal Water District (MWDOC) and Orange County Water District (OCWD) on September 23rd
- MWDOC Water Policy Forum and Dinner is scheduled for September 30th and the OC Water Summit is scheduled for October 15th.
- Association of California Water Agencies (ACWA) Fall Conference is scheduled for November 30, 2021 in Pasadena.
- Mr. Paludi recognized and expressed his appreciation to District Wastewater Operations and Maintenance staff for working into the evening the prior Friday installing a backup pump assembly at Golf Club Sewer Lift Station after the failure of wet-end pump.

CONSENT CALENDAR

President Chadd 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 Acosta and seconded by Director Mandich to approve the Consent Calendar.
The motion was approved by a vote of 5 – 0.

ADMINISTRATIVE MATTERS

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

Mr. Paludi presented this matter for Board consideration. Director Dopudja requested District amend his attendance as he did not attend the SOCWA Finance Committee Meeting.

Action: A motion was made by Director Safranski and seconded by Director Acosta to approve of the Directors' Fees and Expenses Report as amended.
The motion was approved by a vote of 5 – 0.

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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 reported on pending open public meeting changes proposed in Assembly Bill 361. Mr. Paludi added that District Legal Counsel will provide an update to the Board at a future meeting.

Action: No action concerning this matter was taken.

ITEM 6: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING AWARDING A CONTRACT WITH FERGUSON WATERWORKS FOR AUTOMATIC METER READING/AUTOMATED METERING INFRASTRUCTURE (AMR/AMI) FOR DISTRICT SERVICE AREA

Mr. Paludi introduced this matter for Board consideration, and he reported that this matter was reviewed with the Executive Committee. Mr. Perea introduced Mr. Milauskas to the Board of Directors, and he provided a brief overview of the proposed AMR/AMI improvements systemwide. Mr. Perea mentioned that District staff issued a Request for Proposals (RFP) for this project to three metering vendors consistent with the Bureau of Reclamation (BOR) competitive bidding requirements, and that Ferguson Waterworks was the only vendor to submit a proposal. Mr. Perea highlighted the benefits of an AMR/AMI Infrastructure system for both the District and its customers, including real time data, an online customer portal, and partially funded with BOR grant funds. Discussion occurred concerning meter technology lifetime and software licensing costs. Director Safranski commended District staff for successfully securing grant funding for this project.

Action: A motion was made by Director Safranski and seconded by Director Acosta to authorize the General Manager to contract with Ferguson Waterworks for the District's Automatic Meter Reading/Automated Metering Infrastructure (AMR/AMI) Project for a not to exceed amount of \$1,700,000.
The motion was approved by a vote of 5 – 0.

FINANCIAL MATTERS

ITEM 7: DISCUSSION CONSIDER AND APPROVE GENERAL MANAGER EMPLOYMENT CONTRACT

Ms. Collins reported out the contract terms for the General Manager's employment contract from the previous closed session as follows:

- Two-year contract effective September 1, 2021
- Salary: \$253,000 per year
- Auto Allowance: \$900 per month

Director Acosta commended Mr. Paludi on his performance. Director Safranski expressed his appreciation to Mr. Paludi for his ability to manage a complex District. Director Mandich commended Mr. Paludi on his performance.

Action: A motion was made by Director Acosta and seconded by Director Safranski to authorize the Board President to execute the General Manager employment contract.
The motion was approved by a vote of 5 – 0.

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ITEM 8: ADOPTION DISCUSSION CONCERNING CONTRACTING WITH HIGHROAD IT FOR PROFESSIONAL INFORMATION TECHNOLOGY CONTRACT SERVICES

Mr. Paludi introduced this matter for Board consideration, and he reported this matter was reviewed with the Finance/Audit Committee. Mr. Perea reported that District staff issued an RFP to five firms, including the current consultant, and he mentioned that three firms expressed interest. Mr. Perea reported that only one firm, Highroad IT, submitted a proposal. Mr. Perea reviewed the feedback from the client reference check, and he recommended the Board of Directors authorize the General Manager to contract with Highroad IT for professional information technology services. Discussion occurred concerning the location of the firm’s office and proximity of

Action: A motion was made by Director Mandich and seconded by Director Safranski to authorize the General Manager to contract with Highroad IT for professional information technology contract services for a one-year period with standard annual costs not to exceed 70,000.
The motion was approved by a vote of 5 – 0.

ENGINEERING MATTERS

ITEM 9: DISCUSSION AND POSSIBLE ACTION CONCERNING ELECTRICAL IMPROVEMENTS AT EL TORO SEWER LIFT STATION

Mr. Paludi introduced this matter for Board consideration, and he reported this matter was reviewed with the Engineering/Operational Committee. Mr. Perea provided an overview of the recommended improvements at the facility, and he reported that Flo-Services was sole sourced for this work as they performed the mechanical and pump improvements related to these proposed improvements. Mr. Stroud provided additional information related to certain labor costs proposed by Flo-Services.

Action: A motion was made by Director Acosta and seconded by Director Mandich to approve the Flo-Services proposal for Electrical Upgrades in the amount of \$175,698 with a 10% contingency for a total not to exceed amount of \$193,267.
The motion was approved by a vote of 5 – 0.

ITEM 10: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING THE APPROVAL OF TESCO CONTROLS EMASS PROGRAM CONTRACT

Mr. Paludi introduced this matter for Board consideration, and he reported this matter was reviewed with the Engineering/Operational Committee. Mr. Perea provided an overview of the work proposed by TESCO Controls, and he added that this preventative maintenance work has been provided over the prior four-years. Mr. Stroud added that TESCO Controls serves as an extension of District staff and performs essential work that is outside the scope of assist with identifying issues and provide recommendations. Director Safranski asked if TESCO Controls can provided infrared testing of District facilities and if its required by the District insurer ACWA/JPIA. Mr. Paludi commented that it is not required, but that District staff would further evaluate the matter.

Action A motion was made by Director Safranski and seconded by Director Acosta to approve the TESCO Controls proposal for the EMASS Program Service Contract (3 Years) for a not to exceed amount of \$84,000.
The motion was approved by a vote of 5 – 0.

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LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

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

Mr. Paludi provided an update on the following items:

- MWDOC Member Agency Facilitated Discussions: Mr. Paludi presented a letter MWDOC GM Robert Hunter providing additional information concerning the planned interview schedule.
- Irvine Ranch Water District (IRWD) Water Banking Program: Mr. Paludi provided a brief review of a PowerPoint presentation from IRWD on this water reliability project.

Action: No action concerning this matter was taken.

ITEM 12: STATE LEGISLATIVE UPDATE

Ms. Collins provided an update on the following items:

- AB 361 & AB 39: Ms. Collins provided a brief overview on these companion bills and the potential impact to the District's public meetings.
- SB 323: Ms. Collins reported that this bill was approved by the legislature and that it creates a statute of limitation of 120 days on rates and charges adopted consistent with Proposition 218.
- AB 818: Ms. Collins reported that this bill was approved by the legislature and it requires manufacturers of flushable wipes to label the packaging as non-flushable.

Action: No action concerning this matter was taken.

OTHER INFORMATION/MATTERS

None.

ADDITIONAL DIRECTORS' COMMENTS

Director Dopudja recommended that District staff reach out to the City of Rancho Santa Margarita to provide a presentation on the District's conservation efforts and to coordinate with SMWD on future joint presentations.

Director Chadd provided an update concerning the ACWA Board of Directors 2021 Election and the nominating committee recommended candidate slate.

ADDITIONAL GENERAL MANAGER COMMENTS

None

ADJOURNMENT

President Chadd adjourned the September 16, 2021 Regular Board Meeting 8:45 p.m.