



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | MARCH 17, 2022

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on March 17, 2022 was called to order by President Chadd at 7:00 p.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

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

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Lorrie Lausten, District Engineer
Gary Kessler, Water Operations Superintendent
Lisa Marie Sangi, Executive Assistant/Assistant District Secretary

DISTRICT CONSULTANTS PRESENT

Claire Collins, General Legal Counsel – Hanson Bridgett LLP
Laura Ratcliff, General Legal Counsel – Hanson Bridgett LLP

PUBLIC PRESENT VIA CONFERENCE CALL

Beth Heard, resident

PUBLIC PRESENT

Rob Hunter, General Manager - Municipal Water District of Orange County (MWDOC)

PLEDGE OF ALLEGIANCE

Director Safranski led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

RECOGNITION OF MR. THINH NGUYEN FOR HIS TWENTY-YEARS OF SERVICE TO THE DISTRICT.

Mr. Paludi introduced Mr. Thinh Nguyen and his family to the Board of Directors, and he expressed his appreciation for Mr. Nguyen's service to the District.

Mr. Perea expressed his gratitude to Mr. Nguyen for his twenty-years of service to the District and its customers, commended his high work ethic and dedication, and commented that he was one the District's hardest working employees.

Director Chadd commended Mr. Nguyen as an employee that always went above and beyond, also indicated that he was the hardest working employee he has known in his career.

The Board commented on his accomplished years of service and wished Mr. Nguyen a long and happy retirement.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

Director Chadd presented Mr. Nguyen with an award honoring his service to the District.

ITEMS TOO LATE TO BE AGENDIZED

Mr. Paludi recommended agendizing the Local Agency Formation Commission of Orange County (OC LAFCO) Appointment Process and Nomination Period for the Regular and Alternate Special District Member Seats as agenda item 11.

Action: A motion was made by Director Mandich and seconded by Director Safranski to agendize the OC LAFCO Appointment Process and Nomination Period for the Regular and Alternated Special District Member Seat as Item No. 11.
The motion was approved by a vote of 5 – 0.

VISITOR PARTICIPATION & ORAL COMMUNICATION

None

DIRECTOR'S COMMENTS

Director Mandich reported on his attendance at the South Orange County Integrated Watershed Management Area Executive Committee Meeting, and he highlighted current grant opportunities.

Director Dopudja reported on his attendance at a South Orange County Wastewater Authority (SOCWA) Special Board Meeting, and he provided a brief review of matter discussed at the meeting. Discussion occurred regarding current member agency concerns related to potential withdrawal from the Joint Powers Agreement and subsequent impacts. Ms. Collins commented that this matter will be agendized for consideration at the following Regular Board Meeting.

Director Acosta had no comments.

Director Safranski reported on his attendance at the following meetings:

- South Orange County Agencies Group (SOCAG) Joint Meeting with Municipal Water District of Orange County (MWDOC) and Orange County Water District (OCWD). Director Safranski briefly highlighted certain matters discussed at the meeting, including the proposed MET and MWDOC rates and charges increases, and San Juan Basin Authority (SJBA) member agency changes.
- City of Rancho Santa Margarita (RSM) Planning Commission Meeting: a representative for the Dove Center Plaza attended the meeting and requested the Commission to change the City's Residential Housing Needs Assessment (RHNA) development plans to accommodate the redevelopment of the Plaza.

Director Chadd had no comments.

REPORT FROM THE ASSISTANT GENERAL MANAGER

Mr. Perea provided the following updates:

- Mr. Garrett Rias, Wastewater Operator in Training, has successfully passed his California Class A Driver's License examination.
- The District is currently advertising an open position for one Customer Service Field Representative I.
- The District has sponsored the Robinson Elementary School 2022 Jog-A-Thon in April.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Provided a PowerPoint presentation from the SOCWA Special Board Meeting, and he provided a brief overview of the matters discussed.
- A facility tour of the Bell Canyon Sewer Lift Station for Directors and District staff has been scheduled for March 30, 2022 at 9:00am.
- MWDOC's Elected Officials Forum is scheduled for April 7, 2022 and will be conducted virtually.
- Coordination with Irvine Ranch Water District (IRWD) for a construction site tour of the V.P. Baker pipeline and Irvine Lake.
- Association of California Water Agencies (ACWA) 2022 Spring Conference in Sacramento is scheduled for May 3rd through 5th, 2022.
- Urban Water Institute (UWI) Annual Conference in San Diego is scheduled for August 24th through 26th, 2022.

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

ACTION CALENDAR

ADMINISTRATIVE MATTERS

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

Mr. Paludi presented this matter for Board consideration, and he reported this matter was reviewed with the Finance/Audit Committee.

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

FINANCIAL MATTERS

ITEM 5: DISCUSSION AND POSSIBLE ACTION CONCERNING MUNICIPAL WATER DISTRICT OF ORANGE COUNTY FISCAL YEAR 2022-23 DRAFT BUDGET

Mr. Paludi introduced Mr. Rob Hunter, MWDOC's General Manager, and he reported that Mr. Hunter has prepared a PowerPoint presentation on MWDOC's proposed Fiscal Year 2022-23 Budget for Board consideration. Mr. Hunter delivered his presentation which included information on the proposed rates and charges, Core and Choice programs, and overall impacts to the District and its customers. Discussion occurred on the proposed MET rates and charges increases for the next two years and other budgetary impacts to the District. The Board of Directors commended Mr. Hunter on his presentation and expressed their appreciation for attending the meeting.

Action: No action was taken.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

ITEM 6: DISCUSSION AND POSSIBLE ACTION CONCERNING OTHER POST-EMPLOYMENT BENEFITS (OPEB) BIENNIAL ANNUAL VALUATION REPORTING FOR CERBT TRUST FUNDING

Mr. Paludi introduced this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Perea provided a brief review of the District’s OPEB reporting requirements to the CalPERS CERBT, and he reported that District staff requested proposals from professional firms to perform the biennial valuation report. Mr. Perea reviewed the proposals with the Board, and he recommended Total Compensation Systems for the preparation of the District’s biennial valuation report.

Action: A motion was made by Director Mandich and seconded by Director Acosta to authorize the General Manager to contract with Total Compensation Systems, Inc. for GASB 74/75 and GASB 68 Biennial Annual Valuation Reporting for \$6,230.
The motion was approved by a vote of 5 – 0.

ITEM 7: DISCUSSION AND POSSIBLE ACTION CONCERNING THE ADOPTION OF DISTRICT TREASURER’S ANNUAL STATEMENT OF INVESTMENT POLICY

Mr. Paludi introduced this matter for Board consideration, and he reported this matter was reviewed with the Finance/Audit Committee. Mr. Perea reported this matter is an annually reviewed item in accordance with the District’s rules and regulations, and he mentioned that District General Counsel, the District Treasurer, and Eide Bailly’s General Counsel have reviewed the proposed changes. Mr. Perea expressed his appreciation for District General Counsel for their assistance on this matter.

Action: A motion was made by Director Safranski and seconded by Director Acosta to adopt Resolution No. 2022-1304 – Resolution of the Board of Directors of Trabuco Canyon Water District Adopting District Treasurer’s Annual Statement of Investment Policy.
The motion was approved by a vote of 5 – 0.

ENGINEERING MATTERS

ITEM 8: DISCUSSION CONCERNING DIMENSION WATER TREATMENT PLANT (DWTP) OFFICE AND STORAGE IMPROVEMENTS

Mr. Paludi introduced this matter for Board consideration, and reported this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided a project update, and she highlighted the current condition of the existing facility at the DWTP with photos. Ms. Lausten reported that she has worked with JIG Consultants on a design for the proposed office trailer, and she reviewed the engineer’s cost estimate based on a review of building options. Discussion occurred on the estimated costs in comparison with the adopted budget and a recommendation to evaluate alternative options.

Action: No action was taken.

ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING BELL CANYON SEWER LIFT STATION REHABILITATION PROJECT

Mr. Paludi presented this matter for Board consideration, and he reported this project update was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that this project is now complete, and she briefly reviewed facility photos and reviewed the final project cost. The Board commended District staff on the completion.

Action: No action was taken

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | MARCH 17, 2022**

LEGISLATIVE, ADMINISTRATIVE AND OTHER MATTERS

ITEM 10: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Mr. Paludi provided status updates on currently proposed water and wastewater-related legislation to the Board, and he recommended the Board adopt a “Support” position on AB 2142 which provides income tax exclusion on water use efficiency rebates.

Action: A motion was made by Director Acosta and seconded by Director Safranski to adopt a “support” position on AB 2142 (Gabriel).
The motion was approved by a vote of 5 – 0.

ITEM 11: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING OC LAFCO APPOINTMENT PROCESS AND NOMINATION PERIOD FOR REGULAR AND ALTERNATE SPECIAL DISTRICT MEMBER SEATS

Mr. Paludi presented this matter for Board consideration, and he reported this matter was reviewed with the Executive Committee. Mr. Perea reviewed the OC LAFCO appointment process and schedule with the Board, and he indicated that Director Chadd is the primary District representative to OC LAFCO, but the Board needed to select an alternate voting member in order to vote in the upcoming Special District Member election. Discussion occurred concerning OC LAFCO’s nomination process and the open seats.

Action: A motion was made by Director Chadd and seconded by Director Acosta to appoint Director Safranski as the Alternate Voter for the OC LAFCO Regular and Alternate Special District Member Seats Election.
The motion was approved by a vote of 5 – 0.

GENERAL COUNSEL REPORT

Ms. Collins introduced Ms. Laura Ratcliff, Deputy General Counsel, to the Board of Directors as additional counsel contact for legal related matters.

OTHER INFORMATION/MATTERS

There was no other information or matters discussed.

ADDITIONAL DIRECTORS’ COMMENTS

There were no comments.

ADJOURNMENT

President Chadd adjourned the March 17, 2022 Regular Board Meeting at 8:54 p.m.