



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | JANUARY 19, 2023**

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The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on January 19, 2023, was called to order by President Dopudja at 5:30 p.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Board 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  
Lorrie Lausten, District Engineer  
Karen Warner, Principal Accountant

### **DISTRICT CONSULTANTS PRESENT**

Claire Collins, General Legal Counsel – Hanson Bridgett LLP  
Ian Berg, Eide Bailly Consultants

### **PUBLIC PRESENT**

There were members of the public in attendance.

### **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 & ORAL COMMUNICATION**

None

### **DIRECTOR'S COMMENTS**

Director Mandich reported on his attendance at the Communities Associations of Rancho (CAR) meeting, and he highlighted a presentation delivered by the RSM Voice Group.

Director Chadd had no comments.

Director Acosta reported on his attendance at the City of Rancho Santa Margarita (RSM) Planning Commission meeting in which Mr. Jim Leach was appointed Chair of the Commission. Director Acosta reported that Municipal Water District of Orange County (MWDOC) Director Karl Seckel was appointed to the Metropolitan Water District of Southern California (MET) Board of Directors at the MWDOC Regular Board Meeting.

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Director Safranski reported on his attendance at the City of RSM City Council meeting.

Director Dopudja had no comments.

**REPORT FROM THE GENERAL MANAGER**

Mr. Paludi reported on the following matters:

- Southern California Water Coalition (SCWC) has scheduled their Quarterly Luncheon for January 27<sup>th</sup> in Pomona.
- Independent Special Districts of Orange County (ISDOC) has issued a call for candidates to fill vacant positions and that nominations will close on Tuesday, February 28<sup>th</sup> at 5:00 p.m.
- MWDOC announced that their General Manager Rob Hunter has passed away and that memorial services will be announced at a later date.

Mr. Perea reported on the following personnel matters:

- District staff will be interviewing candidates for one open Wastewater Operator in Training (OIT) position.
- The District is currently accepting applications for one open Customer Service Representative position.
- Former General Manager Mr. Bruce Bonner has passed away according to family members.

**CONSENT CALENDAR**

President Dopudja 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.

**MOTION:** Approve the Consent Calendar as presented – Director Acosta

**SECOND:** Director Mandich

**AYES:** Directors Dopudja, Mandich, Acosta, Chadd, & Safranski

**NOES:** None

**ABSTAIN:** None

**MOTION PASSED/FAILED:** Passed 5 - 0

**ACTION CALENDAR**

***ADMINISTRATIVE MATTERS***

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

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

**MOTION:** Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from December 2022 – Director Acosta

**SECOND:** Director Safranski

**AYES:** Directors Dopudja, Mandich, Acosta, Chadd, & Safranski

**NOES:** None

**ABSTAIN:** None

**MOTION PASSED/FAILED:** Passed 5 - 0

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**ITEM 6: DISCUSSION AND POSSIBLE ACTION RELATED TO CALENDAR YEAR 2023 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS**

Mr. Paludi presented this matter for Board consideration, and he presented a proposed list of assignments to the Board of Directors for their review and comment. Discussion occurred concerning certain assignments and schedules. The final assignment list for calendar year 2023 is as follows:

<b>STANDING COMMITTEES</b>		<b>CHAIR</b>	<b>MEMBER</b>	<b>ALTERNATE</b>	
Executive Committee (First Monday of the Month – 5:00 p.m.)		Vice President	President	N/A	
Engineering/Operational Committee (First Wednesday of the Month – 7:00 a.m.)		Safranski	Dopudja	Chadd	
Finance/Audit Committee (Second Thursday of the Month – 1:00 p.m.)		Chadd	Acosta	Mandich	
District Properties Committee		Mandich	Dopudja	Chadd	
<b>AD HOC COMMITTEES</b>		<b>CHAIR</b>	<b>MEMBER</b>	<b>ALTERNATE</b>	
Paloma Square Project Ad Hoc Committee (advisory to the GM; not founded by the Board)		Chadd	Safranski	Dopudja	
<b>MEMBER AGENCY REPRESENTATIVE ASSIGNMENTS</b>		<b>TITLE</b>	<b>PRIMARY</b>	<b>SECONDARY</b>	<b>THIRD</b>
Association of California Water Agencies (ACWA)		Director	Acosta	Safranski	Chadd
ACWA Joint Powers Insurance Authority		Delegate	Safranski	Acosta	Paludi
Baker Water Treatment Plant Project Committee		Member	Paludi	Dopudja	Perea
California Special Districts Association (CSDA)		Delegate	Acosta	Dopudja	Chadd
Independent Special Districts of Orange County (ISDOC)		Member	Mandich	Dopudja	Chadd
Santiago Aqueduct Commission (SAC)		Commissioner	Chadd	Mandich	Paludi
South Orange County Wastewater Authority (SOCWA) Board		Director	Dopudja	Acosta	Paludi
SOCWA Engineering Committee		Staff	Lausten	Paludi	N/A
South Orange County Agencies Group		Liaison	Safranski	Mandich	Paludi
South OC Integrated Regional Watershed Management Area Executive Committee		Member	Mandich	Chadd	Acosta
<b>ORGANIZATION REPRESENTATIVE ASSIGNMENTS</b>		<b>TITLE</b>	<b>PRIMARY</b>	<b>SECONDARY</b>	<b>THIRD</b>
American Water Works Association (AWWA)		Liaison	Paludi	Perea	Lausten
Community Associations of Rancho (CAR) Meeting		Liaison	Mandich	Safranski	Perea
City of Santa Margarita City Council Meeting No. 1		Liaison	Safranski	Mandich	Perea
City of Santa Margarita City Council Meeting No. 2		Liaison	Mandich	Safranski	Perea
City of Santa Margarita Planning Commission Meeting		Liaison	Acosta	Mandich	Perea
Orange County Local Agency Formation Commission (OC LAFCO)		Liaison	Mandich	Paludi	Perea
Municipal Water District of Orange County (MWDOC) Board		Liaison	Acosta	Dopudja	Paludi
Water Advisory Committee of Orange County (WACO)		Member	Acosta	Chadd	Paludi

**MOTION:** Approve the Board of Directors Assignments for Calendar Year 2023– Director Chadd

**SECOND:** Director Acosta

**AYES:** Directors Dopudja, Mandich, Acosta, Chadd, & Safranski

**NOES:** None

**ABSTAIN:** None

**MOTION PASSED/FAILED:** Passed 5 – 0

**ITEM 7: DISCUSSION AND POSSIBLE ACTION CONCERNING WATER AWARENESS DAY 2023**

Mr. Paludi presented this matter for Board consideration, and he reported that District staff are working to secure vendors for this event and developing more promotional efforts. Mr. Paludi recommended scheduling the event for Saturday, May 6, 2023.

**MOTION:** Approve scheduling the District’s “Water Awareness Day” public education event for May 6, 2023 – Director Acosta

**SECOND:** Director Mandich

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**AYES:** Directors Dopudja, Mandich, Acosta, Chadd, & Safranski  
**NOES:** None  
**ABSTAIN:** None  
**MOTION PASSED/FAILED:** Passed 5 – 0

***ENGINEERING MATTERS***

**ITEM 8: PARTH DEVELOPMENT EASEMENT**

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Mr. Paludi introduced this matter for Board consideration, and he commented that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten reported that she has worked with the property owner to secure this easement related to the District's potable water pipelines. Director Mandich inquired if the existing utility easement includes the District's access to its pipelines; Ms. Lausten commented that she would investigate the matter and then report back to the Board.

**MOTION:** Receive the Grant of Easement to the Trabuco Canyon Water District by The Frank R. Parth, Trustee of The Frank R. Parth Trust, dated August 31, 2015, for Water Pipelines, and authorize the District Secretary to execute said Grant of Easement - Director Safranski  
**SECOND:** Director Acosta  
**AYES:** Directors Dopudja, Mandich, Acosta, Chadd, & Safranski  
**NOES:** None  
**ABSTAIN:** None  
**MOTION PASSED/FAILED:** Passed 5 – 0

**ITEM 9: SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) JOINT POWERS AGREEMENT (JPA)  
DISCUSSIONS UPDATE**

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Mr. Paludi introduced this matter for Board consideration, and he reported that the District's proposed term sheet for leaving SOCWA has been distributed to the member agencies. Director Dopudja reported that Emerald Bay Community Services District has been supportive of the District's proposal, and that a general request to agendaize this matter for the consideration of the SOCWA Board has not been confirmed to date. Ms. Collins added that counsel is awaiting certain key financial information from SOCWA, but that SOCWA's General Manager and General Counsel have been out of the office. Director Dopudja provided an update on matters discussed at the January Regular Board Meeting.

**MOTION:** No action was taken.

**ITEM 10: TRABUCO CANYON WATER DISTRICT FISCAL YEAR 2021-22 ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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Mr. Paludi presented this matter for Board consideration, and he mentioned this matter was reviewed with the Finance/Audit Committee. Mr. Berg delivered a PowerPoint presentation to the Board on this matter and expressed his appreciation for District staff's assistance in the preparation of the Annual Comprehensive Financial Report (ACFR). Mr. Berg reported that the District's auditor Nigro & Nigro has provided an unmodified opinion in the Financial Report, and he provided a review of the District's audited revenues and expenses for Fiscal Year 2021-22. Mr. Berg reported on the District's net pension liability, and he provided information related to the District's fully funded other post-employment benefits (OPEB) obligations. Discussion occurred concerning internal cost control measures to preserve the District's financial position; Mr. Paludi commented that staff is mindful of the District's expenses and net position. Director Chadd commended District staff for their management of the OPEB funding. Director Dopudja commended District staff for their efforts and

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recommended the General Manager provide frequent updates to the Board on current and planned capital improvement projects.

**MOTION:** (1) Receive and file the Trabuco Canyon Water District DRAFT Financial Statements and Independent Auditors' Report for Fiscal Years Ended June 30, 2022 and 2021, and (2) Approve the Trabuco Canyon Water District Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022 – Director Chadd

**SECOND:** Director Mandich

**AYES:** Directors Dopudja, Mandich, Acosta, Chadd, & Safranski

**NOES:** None

**ABSTAIN:** None

**MOTION PASSED/FAILED:** Passed 5 - 0

**LEGISLATIVE AND OTHER MATTERS**

**ITEM 11: DROUGHT STATUS UPDATE**

Mr. Paludi provided a brief update on this matter, and he reported that current snowpack levels are averaging 150% of normal which is a good indicator at this time of the year. Mr. Paludi cautioned that MET is currently signaling potential allocations for later this year. Discussion occurred concerning District supplies; Mr. Paludi reported that the District's wells will be operating in February and the District's recycled supplies are full which places the District in a good position to meet demands this year.

**MOTION:** No action was taken.

**ITEM 12: LOCAL GOVERNMENTAL AND LEGISLATIVE MATTER(S)**

Mr. Paludi reported that MWDOC Director Karl Seckel has replaced former Director Sat Tamaribuchi as Director for the MET Board.

**MOTION:** No action was taken.

**GENERAL COUNSEL REPORT**

Ms. Collins provided a brief update on the passage of the Levine Act and the impacts on elected officials regarding political campaign contributions and contract considerations by the public agency.

**OTHER INFORMATION/MATTERS**

Discussion occurred concerning the Dove Dam Outlet Structure Vent Pipe Repair Project. Ms. Lausten reported the diving contractor has epoxied all of the pipeline joints and braced the pipeline to the concrete supports. Ms. Lausten added that the contractor used a staff recommendation to create a snorkel configuration which mounts the upper portion of the vent pipeline to the concrete overflow structure.

**ADDITIONAL DIRECTORS' COMMENTS**

Discussion occurred concerning annual ethics training for elected officials.

**ADJOURNMENT**

President Dopudja adjourned the January 19, 2023, Regular Board Meeting at 6:41 p.m.