



**EXECUTIVE COMMITTEE MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
ADMINISTRATIVE FACILITY
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CA
MARCH 4, 2024 AT 5:00 PM**

COMMITTEE MEMBERS

Ed Mandich, Committee Chair
Stephen Dopudja, Committee Member

DISTRICT STAFF

Fernando Paludi, General Manager
Michael Perea, District Secretary

AGENDA NOTE:

Trabuco Canyon Water District (District) will make this meeting available by telephone audio as follows:

Telephone Audio: 1 (669) 900-6833

Access Code: 979 8688 5071

Persons desiring to monitor the Committee meeting agenda items may download the Executive Committee meeting agenda and documents on the internet at www.tcwd.ca.gov. You may submit public comments by email to the Committee at mperea@tcwd.ca.gov. In order to be part of the record, emailed comments on meeting agenda items must be received by the District, at the referenced e-mail address, not later than 10:00 a.m. (PDT) on the day of the meeting.

CALL MEETING TO ORDER

VISITOR PARTICIPATION

Members of the public wishing to address the Committee regarding a particular item on the agenda are requested to complete a speaker card and submit it to staff. The Committee Chair will call on the visitor following the Committee's discussion about the matter. Committees do not constitute a quorum of the Board of Directors and Committee Members cannot make decisions on matters. The Committee makes recommendations only to the Board of Directors. Members of the public will be given the opportunity to speak to the Committee prior to making a recommendation on the matter. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

ORAL COMMUNICATION

Members of the public who wish to make comment on matters not appearing on the agenda are invited to identify themselves and encouraged to make comment at this time. The Committee Chair will call on the visitor following the Committee's discussion about the matter. Committees do not constitute a quorum of the Board of Directors and Committee Members cannot make decision on matters. The Committee makes recommendations only to the Board of Directors. Under the requirements of State Law, Committee Members cannot take action on items not identified on the agenda and will not make decisions on such matters. The Committee Chair may direct District Staff to follow up on issues as may be deemed appropriate. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

COMMITTEE MEMBER COMMENTS

REPORT FROM THE GENERAL MANAGER

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING AGENDA | MARCH 4, 2024**

ADMINISTRATIVE MATTERS

ITEM 1: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP

RECOMMENDED ACTION:

Approve the following Executive Committee Meeting Recap and recommend that the Board receive and file the same (Consent Calendar):

1. February 8, 2024

DISCUSSION MATTERS

ITEM 2: BOARD AGENDA PLANNING CALENDAR

RECOMMENDED ACTION:

Committee to discuss information at the time of the Executive Committee Meeting and take action(s) as deemed appropriate.

ITEM 3: SB 1218 (NEWMAN): EMERGENCY WATER SUPPLIES - SUPPORT

RECOMMENDED ACTION:

Recommend the Board of Directors adopt a "SUPPORT" position on SB 1218 (Newman) and authorize the General Manager to sign the coalition support letter.

ITEM 4: DISCUSSION OF DISTRICT HUMAN RESOURCES AND BENEFITS ADMINISTRATION SUPPORT

RECOMMENDED ACTION:

Committee to discuss information at the time of the Executive Committee Meeting and take action(s) as deemed appropriate.

ITEM 5: UPDATE ON SADDLE CREST DEVELOPMENT DISCUSSIONS

RECOMMENDED ACTION:

Committee to discuss information at the time of the Executive Committee Meeting and take action(s) as deemed appropriate.

OTHER MATTERS

ITEM 6: REPORTS OR COMMENTS FROM THE GENERAL MANAGER AND/OR STAFF

RECOMMENDED ACTION:

Hear other matters from the General Manager and/or Staff.

ADJOURNMENT

AVAILABILITY OF AGENDA MATERIALS

Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Trabuco Canyon Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Administrative Facility, 32003 Dove Canyon Drive, Trabuco Canyon, California (District Facility). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available in the lobby area of the District Facility at the same time as they are



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distributed, except that, if such writings are distributed immediately prior to or during the meeting, they will be available in the Boardroom at the District Facility.

COMPLIANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2

In compliance with California law and the Americans with Disabilities Act, if you need special disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 858-0277 at least 48 hours in advance of the scheduled meeting. Notification 48 hours prior to the meeting will assist the District in making reasonable arrangements to accommodate your request. The District office is wheelchair accessible.

www.tcwd.ca.gov



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EXECUTIVE COMMITTEE MEETING | MARCH 4, 2024**

ADMINISTRATIVE MATTERS

ITEM 1: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP

Information will be presented at the time of the meeting.

RECOMMENDED ACTION:

Approve the following Executive Committee Meeting Recap and recommend that the Board receive and file the same (Consent Calendar):

1. *February 8, 2024*

CONTACTS (staff responsible): PALUDI/PEREA



TRABUCO CANYON WATER DISTRICT EXECUTIVE COMMITTEE MEETING RECAP | FEBRUARY 8, 2024

DIRECTORS PRESENT

Vice President Ed Mandich, Committee Chair
President Stephen Dopudja, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Roseann Lejsek, Administrative Assistant
Phil Serpas, CMMS/SCADA Administrator

CONSULTANTS PRESENT

Claire Collins, District General Legal Counsel – Hanson Bridgett, LLC

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Vice President Mandich called the February 8, 2024 Executive Committee Meeting to order at 5:00 PM.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

None

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Atmospheric River Event: Mr. Paludi reported the increased rain in the District's service area has increased water supplies in the District's wells and Dove Lake.
- Saddle Crest Development: Mr. Paludi reported that he will be meeting with the developer the following week to discuss matters related to the onsite reservoir and pump station.
- Urban Water Institute (UWI): Mr. Paludi reported that he would be attending this event the following week.

DISCUSSION MATTERS

ITEM 1: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP

Mr. Paludi presented the Executive Committee Meeting Recap(s) for Committee consideration in accordance with the agenda.

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP | FEBRUARY 8, 2024**

MOTION: Approve the Executive Committee Meeting Recap(s) and recommend the Board of Directors receive and file the same (Consent Calendar) – Director Dopudja

SECOND: Director Mandich

AYES: Directors Mandich & Dopudja

NOES: None

ABSTAIN: None

MOTION PASSED/FAILED: Passed 2 - 0

ITEM 2: BOARD AGENDA PLANNING CALENDAR

Mr. Paludi provided a handout that included the following agenda planning items for Committee review and consideration:

February 2024

Regular Board Meeting – 2/15

- Award Golf Club SLS Rehab Construction Management Contract (E/O)
- Award WWTP Communications Improvement Contract (E/O)
- Approve County Easement agreement for Trabuco Creek Road Improvement (E/O)
- Approve OPEB Biennial Valuation for CERBT Trust Funding (F/A)
- Meter Downsizing Program Update
- Presentation by Wastewater Operations on SBR Improvements

March 2024

Regular Board Meeting – 3/21

- Adopt Annual Statement of Investment Policy (F/A)
- Receive and file District Total Compensation Survey Update (Exec & F/A)
- Approval of Resolution Authorizing USBR Grant Application (E/O)
- Settlement offer with Rutter Development (Closed Session)
- Discuss MWDOC Draft FY 2024/25 Budget (F/A)
- Water Awareness Day Event Planning Update (Exec)
- Presentation by Administration staff on Cartegraph CMMS

April 2024

Regular Board Meeting – 4/18

- Award Harris Grade Pipeline Replacement Design Contract (E/O)
- Award Recycled Water P.S. Improvements Design Contract (E/O)

Other Potential Future Board Items

- Award Human Resources Support Services Contract
- Approve Debt Issuance Agreements
- Acceptance of Saddle Crest Facilities

Discussion occurred concerning the current customer participation level of the District’s Meter Downsizing Program. Mr. Paludi reported that the District has received four applications with OCFA approval and one conversion has been completed. The Committee recommended notifying customers with meters sized 1 ½” and 2” with a letter that explains the benefits of the program and the approval process. Mr. Paludi indicated that staff would prepare the letter and provide it to the affected customers.

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP | FEBRUARY 8, 2024**

MOTION: None – Informational item only.

ITEM 3: DISCUSSION OF DISTRICT HUMAN RESOURCES AND BENEFITS ADMINISTRATION SUPPORT

Mr. Paludi presented an update on this matter, and he reported that District staff would be meeting with Special Legal Counsel to review the proposed draft scope of work. Mr. Perea provided an overview of the draft request for proposals and schedule.

MOTION: None – Informational item only.

OTHER MATTERS

ITEM 4: REPORTS OR COMMENTS FROM THE GENERAL MANAGER AND/OR STAFF

2024 Water Awareness Day Event

Mr. Paludi provided a brief update on planning efforts for the annual event. The Committee recommended forwarding this matter to the Board for consideration.

State Legislation Update

Ms. Collins provided a brief update on new water rates-related proposed legislation to the Committee, including the following:

AB 2257 – Proposes an administrative procedure process for rate protests/objections prior to adoption.

AB 1827 – Proposes the codification of the use of peaking component for water rate setting.

SB 1072 – Proposes that refunds associated with rate setting is not allowed.

Director Mandich recommended forwarding this informational update to the Board.

MOTION: None

ADJOURNMENT

Vice President Mandich adjourned the February 8, 2024 Executive Committee Meeting at 5:30 p.m.

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DISCUSSION MATTERS

ITEM 2: BOARD AGENDA PLANNING CALENDAR

Information will be presented at the time of the meeting.

RECOMMENDED ACTIONS:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

CONTACTS (staff responsible): PALUDI/PEREA

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING | MARCH 4, 2024**

DISCUSSION MATTERS

ITEM 3: SB 1218 (NEWMAN): EMERGENCY WATER SUPPLIES - SUPPORT

As defined in SB 1218, “emergency water supply” is a water supply that has been developed by a water supplier to enhance its water supply reliability during times of shortage and is a supply in addition to the baseline water supplies that the agency draws upon during non-shortage times to meet water demands within its service area. For example, the bill’s sponsor, Irvine Ranch Water District (IRWD) has invested in groundwater storage assets in the Central Valley that can be drawn upon by IRWD or other agencies so that conservation is not the only tool to balance supply and demand during times of drought and imported water shortages. Currently, the state disincentives these types of investments in supply reliability because only demand reduction through conservation mandates is recognized as a matter of policy in mitigation shortages. SB 1218 seeks to remedy this by enacting a policy in the Water Code that recognizes emergency water supplies, encourages their development, and supports their use during times of shortage. The current bill language is included as Exhibit 1. A fact sheet for SB 1218 is included as Exhibit 2.

Trabuco Canyon Water District supports SB 1218 because of its potential to enhance water supply reliability in Orange County and throughout the state should agencies elect to invest in emergency supply development or procurement. TCWD has been requested to sign a coalition support letter for SB 1218. The form letter is included as Exhibit 3.

RECOMMENDED ACTION:

Recommend the Board of Directors adopt a “SUPPORT” position on SB 1218 (Newman) and authorize the General Manager to sign the coalition support letter.

EXHIBIT(S):

1. SB 1218 Bill Language
2. SB 1218 Fact Sheet
3. Coalition Support Form Letter

CONTACTS (staff responsible): PALUDI

Introduced by Senator Newman

February 15, 2024

An act to add Section 106.6 to the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 1218, as introduced, Newman. Water: emergency water supplies.

Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan. The act requires an urban water management plan to include a water shortage contingency plan, as provided.

This bill would declare that it is the established policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature hereby finds and declares all of
- 2 the following:
- 3 (a) California has a climate that cycles between periods of large
- 4 amounts of precipitation and times of drought.
- 5 (b) California's weather cycles are already affecting water
- 6 resources throughout the state, which in turn negatively impact
- 7 ecosystems, economies, and communities.
- 8 (c) In addition to enhancing water efficiency, California can
- 9 and should take action to build water resilience into its water

1 resource management and planning that accounts for these changes,
2 allowing the state to better adapt to and mitigate the impacts of
3 climate change on water supplies and watersheds.

4 (d) With climate change likely bringing more frequent and
5 intense droughts to California, the state needs to evaluate how it
6 will ensure sufficient water supplies during times of shortage.

7 (e) An emergency water supply is one way the state can ensure
8 sufficient water supplies during times of drought, and the
9 development of emergency water supplies can aid the state in
10 mitigating the impacts of more frequent droughts.

11 (f) Despite this, few water suppliers have made an investment
12 in emergency water supplies.

13 (g) Establishing as state policy a role for emergency water
14 supplies can help encourage and incentivize greater investment
15 and development of those supplies across the state.

16 SEC. 2. Section 106.6 is added to the Water Code, to read:

17 106.6. (a) It is hereby declared to be the established policy of
18 this state to encourage and incentivize, but not mandate, the
19 development of emergency water supplies, and to support their
20 use during times of water shortage.

21 (b) For purposes of this section, “emergency water supplies”
22 means water supplies identified in a water shortage contingency
23 plan that has been developed to increase a water supplier’s water
24 supply reliability during times of shortage, including, but not
25 limited to, during a drought or unplanned service disruption, and
26 that are in addition to the baseline water supplies the water supplier
27 draws on during nonshortage times to meet water demands within
28 its service area.

SB 1218 (NEWMAN) EMERGENCY WATER SUPPLIES

Problem

California has always had a climate that cycles between periods of large amounts of precipitation and times of drought. With climate change, however, we are experiencing extreme weather cycles and weather.

As the state sees more rainfall and less snow, earlier snowmelt, more intense rain events, aridification, and increasingly frequent droughts, the state needs to focus on water resilience.

While water use efficiency will continue to play an important role in the face of climate change, water resilience for the future will also require California to take different approaches than have been taken in the past to ensure sufficient water for the state's ecosystem, urban and agriculture needs in times of excess and times of shortage.

California can and should take action to build water resilience into its water resource management and planning that accounts for these changes. The Legislature can encourage actions that build water resilience, especially for times of drought. With intensifying and prolonged periods of drought likely, emergency supplies can help ensure sufficient water.

Background

California must build water resilience that will help us adapt to and mitigate climate change, and that will ensure California has sufficient water during dry times.

A Definition of California Water Resilience

Water resilience for California means moving the state to better water resource management through cost-effective infrastructure investments, flexible systems operations, and changes in policy and regulations that result in water systems, communities, ecosystems, and economies adapting to and mitigating for the impacts of climate change to water supplies and watersheds.

As the Governor has laid out in his Water Resilience Portfolio, efforts to build water resilience are strengthened when there is state support for local efforts to withstand drought and flood, provide safe and reliable water supplies to all communities, and protect natural systems.

While the actions needed to build water resilience will vary by location and region, the state can set policies that encourage

What is an Emergency Water Supply?

An emergency water supply is a supply that has been developed by a water supplier to enhance its water supply reliability during times of shortage and is a supply in addition to the baseline water supplies that the agency draws upon during non-shortage times to meet water demands within its service area.

investments in resilience which can help mitigate the impacts of climate change on ecosystems, economies, and communities.

Solution

With climate change bringing more frequent and intense droughts to California, the state needs to evaluate how it will ensure sufficient water supplies during times of shortage.

The development of emergency water supplies can aid the state in mitigating the impacts of more frequent droughts. Unfortunately, few water suppliers have made the investment in emergency supplies because the state has not formally recognized them.

Establishing a state policy that recognizes the role emergency water supplies can play in water resilience can encourage and incentivize greater investment and development of those supplies across the state. SB 1218 would enact such a policy by adding the following policy statement to the California Water Code:

"It shall be the policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage."



Contact Information

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**Irvine Ranch
Water District**

February X, 2024

The Honorable Josh Newman
Senator, 29th District
1021 O Street, Suite 6520
Sacramento, CA 9581

RE: SB 1218 (Newman): Emergency Water Supplies- Support

Dear Senator Newman:

We, the undersigned coalition of statewide associations, cities, water suppliers, business organizations, and regional stakeholders [OTHER ENTITY TYPES WOULD BE ADDED IN THEY SIGN ON], are writing to express our support for SB 1218 (Newman) and to thank you for authoring this important measure, which would enact a state policy to encourage and incentivize greater investment in and development of emergency water supplies across the state.

California has always had a climate that cycles between periods of large amounts of precipitation and times of drought. With climate change, however, we are experiencing greater weather whiplash. As the state sees more rainfall and less snow, earlier snowmelt, more intense rain events, aridification, and increasingly more frequent droughts, the state should support every responsible tool to enhance water resilience.

While adherence to feasible water use efficiency standards will continue to play an important role in the face of climate change, water resilience for the future will also require California to maximize various innovative approaches to ensure sufficient water for the state's ecosystem, urban, and agriculture needs in times of shortage.

The development of emergency water supplies— a water supply that has been developed by a water supplier to enhance its water supply reliability during times of shortage and is a supply in addition to the baseline water supplies that the agency draws upon during non-shortage times to meet water demands within its service area— is one tool that can aid the state in mitigating the impacts of more frequent droughts. Unfortunately, few water suppliers have made the investment in emergency supplies because the state has not formally recognized them.

SB 1218 seeks to remedy this by enacting a policy in the Water Code that recognizes emergency water supplies, encourages their development, and supports their use during times of shortage. Our coalition believes that such a policy will encourage and incentivize greater investment in and development of emergency supplies— making communities more resilient, better able to withstand drought and flood, and more prepared to provide safe and reliable water supplies to residents, business and the environment.

For these reasons, we strongly support SB 1218 and urge you and your colleagues to vote "Aye" on this important measure. Please feel free to contact Christine Compton with the Irvine Ranch Water District (IRWD) at (949) 453-5338 or IRWD's Sacramento advocate Alfredo Arredondo at (805) 598-9350 if you have any questions.

Sincerely,

cc: X, X, X

**TRABUCO CANYON WATER DISTRICT
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DISCUSSION MATTERS

ITEM 4: DISCUSSION OF DISTRICT HUMAN RESOURCES AND BENEFITS ADMINISTRATION SUPPORT

The Executive Committee has requested a discussion regarding the potential organizational benefit to the District of procuring external support services for the human resources function including administration of the District's employee and director benefits. District staff has prepared a scope of work for Committee consideration. More information may be presented at the time of the meeting.

RECOMMENDED ACTION:

Committee to discuss information at the time of the Executive Committee Meeting and take action(s) as deemed appropriate.

EXHIBIT(S):

None

CONTACTS (staff responsible): PALUDI/PEREA/COLLINS

**TRABUCO CANYON WATER DISTRICT
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DISCUSSION MATTERS

ITEM 5: UPDATE ON SADDLE CREST DEVELOPMENT DISCUSSIONS

Staff will provide an update to the Committee on discussions with the developer regarding resolution of several outstanding issues as the development nears completion.

RECOMMENDED ACTION:

Committee to discuss information at the time of the Executive Committee Meeting and take action(s) as deemed appropriate.

EXHIBIT(S):

None

CONTACTS (staff responsible): PALUDI/COLLINS

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OTHER MATTERS

ITEM 6: REPORTS OR COMMENTS FROM THE GENERAL MANAGER AND/OR STAFF

Other matters may have arisen after the posting of the agenda and will be brought forward for discussion and/or information at the time of the Executive Committee.

RECOMMENDED ACTION:

Hear other matters from the General Manager and/or Staff.

CONTACTS (staff responsible): PALUDI/PEREA