



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | NOVEMBER 21, 2024

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on November 21, 2024, was called to order by Vice President Ed Mandich at 5:31 p.m. 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

Vice President Ed Mandich
Director Glenn Acosta
Director Don Chadd
Director Michael Safranski

DIRECTORS ABSENT

President Stephen Dopudja

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Gary Kessler, Water Operations Superintendent
Oscar Ulloa, Wastewater Superintendent
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant
Phil Serpas, CMMS/SCADA Administrator
Other staff were present

DISTRICT CONSULTANTS

Claire Collins, District General Legal Counsel - Hanson & Bridgett, LLP

PUBLIC PRESENT

There were members of the public present.

PLEDGE OF ALLEGIANCE

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

ITEMS TOO LATE TO BE AGENDIZED

None

RECOGNITION OF DIRECTOR DON CHADD'S SERVICE TO TRABUCO CANYON WATER DISTRICT

Director Chadd was recognized by his fellow Directors and staff and presented with an award for his 30 years of service to the District and its customers.

VISITOR PARTICIPATION

None

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ORAL COMMUNICATION

Sue Marucci – Ms. Marucci addressed the Board of Directors with her concerns related to the District’s fixed meter charges versus her actual water use, and she expressed her opposition to the District’s meter size reduction procedure indemnification form. Ms. Marucci also expressed her concerns about the water pressure on her street.

Ray Chandos – Mr. Chandos addressed the Board of Directors with his concerns related to the increase in rates. Mr. Chandos reflected on the election results that demonstrates affordable water for all customers must be a priority for the Board. Mr. Chandos also stated that he will bring suggestions on this topic to the December Regular Board Meeting.

Al Burnham -Mr. Burnham encouraged the public to attend public meetings and get involved in order to effect change. Mr. Burnham also thanked Mr. Chandos for leading the community’s efforts during the election.

Fred Yeakel – Mr. Yeakel addressed the Board of Directors with his concerns regarding the installation and necessity of a 2” water meter on his property at the time his property was built. Mr. Yeakel requested to be billed at a lower rate.

John Horst – Mr. Horst addressed the Board of Directors and stated that he is looking forward to working with the Board to reduce rates and District costs.

DIRECTOR’S COMMENTS

Director Acosta congratulated the newly elected Board members on their election wins, and he stated that he is looking forward to working with them in the future. Director Acosta also stated that the election results were a clear message to the Board.

Director Safranski congratulated the newly elected Board members as well, and he acknowledged the ongoing issue regarding District’s rates and charges. Director Safranski proposed a meeting in the future to discuss this item so that the District and its customers can work together for a resolution.

Director Mandich echoed Director Safranski’s comments regarding future discussions on the District’s rates and charges. Director Mandich also congratulated the new Board members, and he looks forward to working with them in the future. Director Mandich reported on the meetings he attended during the previous month.

Director Chadd thanked his family for attending the meeting, and he also offered his congratulations to the new Board members. Director Chadd stated that a new perspective will be beneficial, and that he believes the rate issue can be resolved with the customer’s input.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Santa Margarita Water District (SMWD) Director Charles Gibson is retiring from the SMWD Board of Directors and that SMWD will be recognizing Director Gibson’s service at its December 12, 2024 Board Meeting. Mr. Paludi stated that staff is preparing a proclamation on behalf of the District that will be delivered to SMWD and presented to Director Gibson.
- TCWD is participating in the Spark of Hope Toy Drive sponsored by Orange County Fire Authority (OCFA) and K-WAVE and that new and unwrapped toys will be accepted through Thursday, December 12, 2024.
- District staff are working with Orange County Public Works (OCPW) on a post-fire debris flow plan at Trabuco Creek in anticipation of rainfall. Mr. Perea noted that staff will also be meeting to discuss long-term plans to ensure water quality with the possibility of debris flow and rainfall.

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- Mr. Paludi provided the Board of Directors with a brief update on three CIP projects that have been completed, and he stated that the Board will be provided with a CIP update at the January Regular Board Meeting.
- The District will hold a Special Board Meeting December 12, 2024 at 5:30 p.m. where the Directors-elect will be issued the Oath of Office along with a workshop presented by the District’s General Legal Counsel covering the basics of serving on the Board of Directors.
- Director Acosta and Mr. Perea will be attending the Association of California Water Agencies (ACWA) Fall Conference to represent and vote on the proposed bylaw updates on behalf of the District.

CONSENT CALENDAR

Vice President Mandich 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 Safranski
AYES: Directors Mandich, Acosta, Chadd & Safranski
NOES: None
ABSTAIN: None
ABSENT: Director Dopudja
MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Dopudja absent

ACTION CALENDAR

ADMINISTRATIVE MATTERS

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

Mr. Paludi presented this matter for Director consideration and comment, and he reported that 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 October 2024 – Director Acosta
SECOND: Director Mandich
AYES: Directors Mandich, Acosta, Chadd & Safranski
NOES: None
ABSTAIN: None
ABSENT: Director Dopudja
MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Dopudja absent

ITEM 6: APPROVE SECOND AMENDMENT TO GENERAL MANAGER’S EMPLOYMENT AGREEMENT

Ms. Collins presented this matter for Board consideration, and she reported this matter was previously reviewed with the Board of Directors. Ms. Collins provided a brief overview of the terms of the proposed agreement amendment, and she highlighted the proposed salary adjustment components.

Director Chadd expressed his opinion that the presentation of the matter was poorly timed, and that he would not support this matter as his term as Director was ending. Director Chadd supported the salary adjustment in concept, but he recommended the new Directors have an opportunity to get to know Mr. Paludi before approving the agreement amendment.

Director Acosta recommended tabling this matter for a future meeting of the Board of Directors.

Director Safranski concurred with Director Acosta.

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Public Comment:

Mr. Chandos requested that this item be deferred until a discussion can be had on bringing the rates under control.

Mr. Horst suggested that this matter be reviewed by the new Board of Directors in January 2025.

Director Mandich recommended tabling this matter for Board consideration at the January 16, 2025 Regular Board Meeting.

MOTION: No action was taken.

ITEM 7: MULTI-JURISDICTIONAL HAZARDOUS MITIGATION PLAN (MJHMP) UPDATE AND PUBLIC OUTREACH EFFORTS

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operations Committee. Mr. Perea provided an overview of the District's redlines to the plan that have been submitted to Municipal Water District of Orange County (MWDOC)/Water Emergency Response of Orange County (WERO) and Herndon Group (HSG) along with the timeline for comments, review and final submittal.

MOTION: No action was taken.

ENGINEERING MATTERS

ITEM 8: APPROVAL OF HUMAN RESOURCES AND HEALTH BENEFITS THIRD-PARTY ADMINISTRATOR SUPPORT SERVICES CONTRACT

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Executive Committee. Mr. Paludi reported that the District does not have a full-time Human Resources Manager, and he presented the potential benefits of contracting through a third-party. Mr. Perea provided an overview of the RFQ process and the functions of CPS HR Consulting for both Human Resources and health benefits administrative services.

MOTION: Authorize the General Manager to execute a professional services contract with CPS HR for Human Resources and Health Benefits Third-Party Administrator Support Services with a not-to-exceed amount of \$50,000 for Fiscal Year 2024-25 – Director Acosta

SECOND: Director Safranski

AYES: Directors Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: Director Dopudja

MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Dopudja absent

LEGISLATIVE AND OTHER MATTERS

ITEM 9: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Ms. Collins provided a brief report on various legislative bills that passed, including remote meeting participation, prevailing wage, bills regarding Proposition 218, and legislation regarding the rules and responsibilities on meter size changing.

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CLOSED SESSION

Director Mandich recused himself from closed session. Director Chadd informed the Board and General Counsel that he would not be attending closed session. Ms. Collins reported that closed session would not be held due to a lack of quorum.

ITEM 10: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

No report was given as there was no closed session.

GENERAL COUNSEL REPORT

None

OTHER INFORMATION/MATTERS

None

ADDITIONAL DIRECTORS' COMMENTS

None

ADJOURNMENT

Vice President Mandich adjourned the November 21, 2024 Regular Board Meeting at 7:00 p.m.