



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | JANUARY 16, 2025

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on January 16, 2025, was called to order by 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

President Ed Mandich
Vice President Glenn Acosta
Director Mark Anderson
Director Michael Safranski

DIRECTORS ABSENT

Director John Horst

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant

DISTRICT CONSULTANTS

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

PUBLIC PRESENT

There were members of the public present.

PLEDGE OF ALLEGIANCE

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

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

None

ORAL COMMUNICATION

Fred Yeakel – Mr. Yeakel addressed the Board of Directors, and he thanked the Board for finding an acceptable resolution to the public's Meter Downsizing Program concerns. Mr. Yeakel requested information on the refund process after the meter downsizing is complete.

Sue Marucci -Ms. Marucci addressed the Board of Directors with her questions about aspects of the Meter Downsizing Program, specifically the District's requirements for Engineering approval. Ms. Marucci requested point of contact information for her questions regarding the meter downsizing process.

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Rick Heard – Mr. Heard addressed the Board of Directors with his concerns regarding the District’s water storage capacity and days of storage, in light of the issues during the recent Los Angeles fires. Mr. Heard requested to know what the District’s long-term prospects are for a fire suppression reservoir.

Ray Chandos – Mr. Chandos addressed the Board of Directors with his concerns regarding the District’s rates and charges. Mr. Chandos suggested a monthly status report on the rates and budget as an informational item.

DIRECTOR’S COMMENTS

Director Safranski offered his prayers to those affected by the Los Angeles fires.

Director Acosta commented that the District was previously approached by Orange County Fire Authority (OCFA) concerning potential use of the District’s Porter Property for an OCFA facility, however, the City was not in support of the project at the time. Director Acosta proposed that staff re-engage OCFA to gauge their interest in utilizing the Porter Property for a firefighting facility due to the recent fire events in Southern California.

Director Anderson commented that he has been busy learning about the District and that he is focused on responding to the issues that he was elected to address. Director Anderson noted that he is optimistic about these matters.

Director Mandich commented that Director Anderson suggested creating an Ad Hoc Committee to review the District’s sources of supply, and he stated that he and Director Anderson will sit on the Committee, with Director Anderson as Committee Chair. Director Mandich directed staff to schedule the first Sources of Supply Ad Hoc Committee meeting as well as scheduling a District Properties Committee meeting.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Director Horst was not in attendance due to a funeral out of town.
- Ms. Collins was joining the meeting virtually.
- The deadline for receiving Meter Downsizing Program applications with retroactive refund eligibility is February 17, 2025, and that any refunds or account adjustments over \$1,000 will be brought to the Board of Directors for ratification.
- Due to the increase in Public Safety Power Shutoff (PSPS) events, along with the recent Los Angeles fires, staff is reviewing the status of emergency power generation at all TCWD facilities and will share the findings at the Engineering/Operational Committee meeting in February. Mr. Paludi commended Operations for ensuring that the District’s storage tanks are full and facilities have electrical power, including backup emergency power.
- The General Manager gave a presentation on TCWD at the Municipal Water District of Orange County (MWDOC) Board of Directors meeting as part of their member agency spotlight campaign.
- Staff will reach out to the Board members to schedule a site visit to both Golf Club Sewer Lift Station and Heritage Sewer Lift Station.

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 & Safranski
NOES: None
ABSTAIN: Director Anderson
ABSENT: Director Horst

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MOTION PASSED/FAILED: Passed 3 – 1 – 1 with Director Anderson abstaining and Director Horst 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 December 2024 – Director Acosta

SECOND: Director Mandich

AYES: Directors Mandich, Acosta, Anderson & Safranski

NOES: None

ABSTAIN: None

ABSENT: Director Horst

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

ITEM 6: DISCUSSION AND CONSIDERATION OF A RESOLUTION CONCERNING THE HOLDING OF REGULAR MEETINGS OF THE BOARD OF DIRECTORS AND AMENDING THE TCWD REGULAR BOARD MEETING DATE AND TIME

Mr. Paludi presented this matter for Board consideration, and he reported that the Board currently meets on the third Thursday of each month at 5:30 p.m. Mr. Perea provided a brief history of the changes to the meeting date and time in recent years.

Jay Gentile – Mr. Gentile addressed the Board of Directors expressing his concerns with moving the meeting time to later in the evening. Mr. Gentile stated that important items may not be given proper consideration if discussed later in the evening. Mr. Gentile requested that his comments be taken into consideration when making a decision to move the meeting to a later time.

Fred Yeakel – Mr. Yeakel addressed the Board of Directors, and he stated that he would prefer that the meeting time be moved to 6:00 p.m.

Discussion occurred among the Board regarding moving the meeting time to later in the evening and the possibility of moving the date from the third Thursday to the third Wednesday of each month. Ms. Collins suggested that this item be tabled and brought to a vote at the next Regular Board Meeting so that Director Horst may vote on the matter, and a resolution may be drafted. Ms. Collins asked the Board to be open to all times, and she suggested earlier meetings for staff accommodations due to early start times. Mr. Perea provided additional context related to the alternative schedule (9/80) and that staff starts the workday at 6:30 a.m., and he suggested that the meeting be moved to Wednesdays to allow staff to meet the next day to track any follow up direction from the Board.

MOTION: No action was taken.

ITEM 7: DISCUSSION CONCERNING BOARD ROOM AUDIO/VISUAL SYSTEM UPGRADES

Mr. Paludi presented this matter for Board consideration, and he asked Mr. Perea to report on this matter. Mr. Perea provided an overview of the proposal that the District received in April 2024, and he reviewed the various options for improvements to the audio/visual system. Mr. Perea added that this was discussed with the Executive Committee and that the Committee directed staff to put together a short list of the current set up and options for the Board's review and feedback.

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Beth Heard – Mr. Perea stated that Ms. Heard submitted a public comment via e-mail with her support for the improvements, and that a copy of Ms. Heard’s email was provided to the Board members for their consideration.

Ray Chandos – Mr. Chandos addressed the Board of Directors, and he thanked Director Acosta for having this item added to the agenda. Mr. Chandos stated that he believes the proposal costs are too high and that the public is requesting improvements to address the audio issues.

Alan Burnham – Mr. Burnham addressed the Board of Directors, and he stated that he believes Bluetooth microphones and speakers would be sufficient to improve the audio issues. Mr. Burnham stated that he does not believe that monitors are needed, however, he suggested that the District purchase a video camera to record the meetings.

Sue Marucci – Ms. Marucci addressed the Board of Directors, and she commented that she cannot hear Mr. Paludi or Ms. Collins due to their seat placement at the dais. Ms. Marucci stated that she believes microphones and speakers would help with the audio issues.

Fred Yeakel – Mr. Yeakel addressed the Board of Directors, and he stated that he believes the positioning of the dais is the issue, and he stated that he believes microphones and speakers will resolve the audio issues.

Discussion occurred among the Board regarding the prioritization of audio over video improvements, and that the acoustics of the room are an issue that may need to be addressed. Discussion occurred regarding the advantage of consulting with an audio technician to ensure the District’s funds are properly utilized to provide a viable solution. Mr. Perea stated that he would reach out to the District’s IT consultant for leads on a sub-contractor to address the audio issues.

MOTION: No action was taken.

ITEM 8: AGREEMENT AMENDMENT NO. 1 WITH W.M. LYLES FOR SCADA UPGRADE PROJECT – PHASE 2

Mr. Paludi presented this matter for Board consideration, and he reported that this item was reviewed with the Engineering/Operational Committee. Mr. Paludi provided a brief background of the District’s working relationship with W.M. Lyles, and he stated that staff is pleased with W.M. Lyles’ performance with the SCADA upgrade project after the District terminated its contract with TESCO Controls. Mr. Paludi presented an overview of Phase 1 of the SCADA upgrade project, and a summary of Phase 2 of the project along with project costs.

MOTION: Approve and authorize the General Manager to execute Amendment No. 1 to the SCADA Integration Services Agreement with W.M. Lyles Co. for a not-to-exceed amount of \$59,695 plus a 10% contingency of \$5,970 for a total Amendment not-to-exceed amount of \$65,665, and a total Agreement not-to-exceed amount of \$283,535 – Director Acosta

SECOND: Director Anderson

AYES: Directors Mandich, Acosta, Anderson & Safranski

NOES: None

ABSTAIN: None

ABSENT: Director Horst

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

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ITEM 9: QUARTERLY CAPITAL IMPROVEMENT PROGRAM UPDATE

Mr. Paludi presented this matter for Board consideration, and he reported that this item was reviewed with the Engineering/Operational Committee. Mr. Paludi stated that Ms. Lausten manages the Capital Improvement Program (CIP), and he asked Ms. Lausten to provide an update. Ms. Lausten highlighted projects that have been completed since the last quarterly update in September 2024, and she presented photographs of the projects through their various stages of completion. Discussion occurred regarding the impact of unplanned projects to the CIP budget and transparency of total project costs for multi-year projects.

MOTION: None. Informational item only.

ACTION CALENDAR

LEGISLATIVE AND OTHER MATTERS

ITEM 10: 2024 YEAR-END LEGISLATIVE REPORT

Ms. Collins provided a high-level overview of several newly passed laws affecting Public Agencies. Ms. Collins highlighted the following bills.

- AB 2302 limiting how often members of a local agency can participate remotely in public meetings.
- AB 3090 authorizing a public water system to utilize communication technology such as text messages, email or social media when updating an emergency notification plan.
- SB 937 imposing new limitations on the ability of local agencies to collect developer fees at an earlier time than certificate of occupancy.

Ms. Collins also provided information on three bills in relation to Proposition 218 that address the defense of peaking rates, an administrative exhaustion procedure when protesting rates, and refund amounts applied as a credit to a customer's account for Proposition 218 violations.

MOTION: None. Informational item only.

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

Mr. Paludi reported that California Special Districts Association (CSDA) published a year end legislation report which highlights CSDA's major advocacy accomplishments, and he provided a handout of the report.

Mr. Paludi reported that a Summary Report for The Metropolitan Water District of Southern California (MET) Board Meeting January 14, 2025 was issued, and he provided a handout of the summary.

Mr. Paludi reported on the current water supply conditions, and he reported that the Northern Sierra Snowpack was 126% of normal, while the Colorado River Basin Snowpack is 94% of normal. Mr. Paludi provided a handout of the Water Supply Conditions Report published by MET.

MOTION: None. Informational item only.

GENERAL COUNSEL REPORT

None

OTHER INFORMATION/MATTERS

None

ADDITIONAL DIRECTORS' COMMENTS

None

ADJOURNMENT

President Mandich adjourned the January 16, 2025 Regular Board Meeting at 7:19 p.m.