



## **MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | AUGUST 20, 2025**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on August 20, 2025, was called to order by District Secretary Michael Perea at 6:10 p.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Perea called for a vote for a meeting Chair, due to President Mandich and Vice President Acosta's absence. Director Horst nominated Director Anderson to chair the meeting. The Board unanimously voted to appoint Director Anderson as meeting Chair. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

### **DIRECTORS PRESENT**

Director Mark Anderson  
Director John Horst  
Director Michael Safranski

### **DIRECTORS ABSENT**

President Ed Mandich  
Vice President Glenn Acosta

### **STAFF PRESENT**

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

### **DISTRICT CONSULTANTS**

Claire Collins, District General Legal Counsel - Hanson Bridgett, LLP  
Ian Berg, District Treasurer – Starting Line Advisory

### **PUBLIC PRESENT**

There were members of the public present.

### **PLEDGE OF ALLEGIANCE**

Director Horst 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

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**ORAL COMMUNICATION**

Ray Chandos – Mr. Chandos addressed the Board of Directors requesting a progress report on any discussions with Irvine Ranch Water District (IRWD) and Santa Margarita Water District (SMWD), and he requested that this item be agendized each month. Mr. Chandos also requested that the discussions be impartial and free of conflict.

Allan Burnham – Mr. Burnham addressed the Board of Directors requesting that that discussions regarding consolidation be agendized at every meeting, and he noted that the dedicated webpage related to consolidation updates and information was not yet on the District’s website. Mr. Burnham expressed his frustration with the process, and he requested that a committee be established related to consolidation discussions.

Sue Marucci – Ms. Marucci addressed the Board of Directors requesting that discussions regarding the hydrants on Hamilton Trail be agendized at every meeting, and she stated her concerns regarding adequate hydrant pressure in the event of a fire.

Russ Khouri – Mr. Khouri addressed the Board of Directors expressing his opposition to a potential merger with another water district. Mr. Khouri conveyed his support of reviewing the current rates, but he cautioned against inconsistencies with information being communicated within the community including an expectation of rate decreases.

Director Anderson read the names of members of the public that submitted e-comments after the posting of the agenda.

**DIRECTOR’S COMMENTS**

Director Safranski commented that as the District’s primary liaison to ACWA and its voting representative, he cast votes as approved by the Board for the positions of ACWA President and Vice President.

Director Horst provided a brief report on the meetings he attended during the previous month, and he requested that updates related to potential consolidation be reported during the General Manager’s comments.

Director Anderson echoed Director Horst’s comments related to communications about potential consolidation, and he reported that the Board is approaching the possibility of forming a committee to discuss this matter. Director Anderson also commented that staff is analyzing the 1-inch meter flat charges, however, agendizing the matter is premature at this time.

**REPORT FROM THE GENERAL MANAGER**

Mr. Paludi reported on the following matters:

- The Board President was not in attendance due to a home emergency, and the Board Vice President was out of town.
- A meeting will be set up at the Board level to set expectations for the RFP process, and he noted that due to ongoing data collection by the two neighboring agencies, the District has no further updates at this time.
- Mr. Paludi will retire as General Manager of the District within the next few months, and he stated that he will be assisting the Board with recruitment efforts.
- The General Manager will be on vacation in September and will not be in attendance at the September Regular Board meeting.
- The OC Water Summit will be held September 5<sup>th</sup> in Costa Mesa, and he noted that registration is still open for the event.

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**CONSENT CALENDAR**

Director Anderson indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests separate action on a specific item. Mr. Paludi presented Items 1-4 for Board consideration and approval in accordance with the agenda.

**ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)**

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1. July 16, 2025 Regular Board Meeting
2. August 4, 2025 Special Board Meeting

**ITEM 2: TREASURER’S REPORT**

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1. July 10, 2025 Finance/Audit Committee Meeting Recap
2. June 2025 Preliminary Unaudited Financials
3. July 2025 Bills for Consideration, Payroll and Payroll Taxes

**ITEM 3: APPROVAL OF ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP(S)**

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1. July 2, 2025 Engineering/Operational Committee Meeting Recap

**ITEM 4: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP(S)**

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1. July 7, 2025 Executive Committee Meeting Recap

**MOTION:** Approve the consent calendar as presented – Director Safranski  
**SECOND:** Director Horst  
**AYES:** Directors Anderson, Horst & Safranski  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Directors Mandich & Acosta  
**MOTION PASSED/FAILED:** Passed 3 – 0 - 2 with Directors Mandich & Acosta absent

**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 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 amended Directors’ expenses and fees from July 2025 – Director Horst  
**SECOND:** Director Safranski  
**AYES:** Directors Anderson, Horst & Safranski  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Directors Mandich & Acosta  
**MOTION PASSED/FAILED:** Passed 3 – 0 - 2 with Directors Mandich & Acosta absent

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**ITEM 6: INFORMATIONAL UPDATES FROM BOARD COMMITTEES**

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Committee members and District staff provided updates on the following Committees:

Executive Committee – Mr. Paludi reported that the Committee reviewed the Board planning calendar and took no action.

District Properties Committee – Mr. Paludi reported that a meeting is scheduled for September 3<sup>rd</sup> to review options for the Porter property, and he stated that a Special Board meeting will be scheduled in the coming weeks to discuss the consultant’s evaluation report.

Public Outreach Committee – Director Horst reported that staff have scheduled Community chat forums for the morning and evening of August 28.

Finance/Audit Committee – Director Horst reported that the Committee discussed meter charges and rate study options, and that the Committee will continue to work with staff to explore all available options before presenting to the full Board for discussion.

**MOTION:** None. Informational item only.

**FINANCIAL MATTERS**

**ITEM 7: APPROVAL OF CONTRACT RENEWAL WITH CPS HR FOR HUMAN RESOURCES AND HEALTH BENEFITS THIRD-PARTY ADMINISTRATOR SUPPORT SERVICES**

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Mr. Paludi presented this matter for Board consideration, and he reported that this item was reviewed with the Finance/Audit Committee in July. Mr. Perea reported that the District’s contract with CPS HR ended June 30, 2025, but they are providing ongoing services and that staff is proposing a contract renewal through FY 2027. Mr. Perea reported that CPS HR is currently assisting staff with personnel policy updates and ongoing negotiations with the union. Mr. Paludi noted that the District is billed on a time and materials basis and that the District may not utilize the entire budgeted amount.

**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 for a two-year period with a not-to-exceed amount of \$50,000 per year – Director Safranski

**SECOND:** Director Horst

**AYES:** Directors Anderson, Horst & Safranski

**NOES:** None

**ABSTAIN:** None

**ABSENT:** Directors Mandich & Acosta

**MOTION PASSED/FAILED:** Passed 3 – 0 - 2 with Directors Mandich & Acosta absent

**ITEM 8: APPROVAL AND ADOPTION OF RESOLUTIONS FOR TRABUCO CANYON WATER DISTRICT’S HEALTH BENEFIT COSTS FOR CALENDAR YEAR 2026**

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Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Perea provided a brief background of the current health benefit methodology, and he reviewed the employer/employee contribution and fiscal impacts. Mr. Perea added that staff projects a budget surplus of approximately \$22,000 at the end of the fiscal year.

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**MOTION:** Adopt Resolution No. 2025-1357 – Resolution of the Board of Directors of Trabuco Canyon Water District Fixing the Employer Contribution Under the Public Employees’ Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants (000 All Employees-CalPERS) – Director Horst

**SECOND:** Director Safranski

**AYES:** Directors Anderson, Horst & Safranski

**NOES:** None

**ABSTAIN:** None

**ABSENT:** Directors Mandich & Acosta

**MOTION PASSED/FAILED:** Passed 3 – 0 - 2 with Directors Mandich & Acosta absent

**MOTION:** Adopt Resolution No. 2025-1358 – Resolution of the Board of Directors of Trabuco Canyon Water District Fixing the Employer Contribution Under the Public Employees’ Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants (700 Elected Officials-NonCalPERS) – Director Horst

**SECOND:** Director Safranski

**AYES:** Directors Anderson, Horst & Safranski

**NOES:** None

**ABSTAIN:** None

**ABSENT:** Directors Mandich & Acosta

**MOTION PASSED/FAILED:** Passed 3 – 0 - 2 with Directors Mandich & Acosta absent

**ITEM 9: AWARD OF CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE DIMENSION TRANSMISSION MAIN PIPELINE REHABILITATION PROJECT AND OTHER RELATED PROJECT UPDATES**

Mr. Paludi presented this matter for Board consideration, and he noted due to the timing of the proposal submissions, this matter was being brought directly to the Board for approval. Ms. Lausten provided an updated timeline, and she stated that Phase 1A was on track to begin mobilization after the Labor Day holiday. Ms. Lausten reported that staff solicited proposals from five firms for Construction Management and Inspection Services and received three proposals. Ms. Lausten reviewed the proposal evaluations for both Phase 1A and 1B of the project and recommended that both phases be awarded to Butier. Ms. Lausten emphasized the importance of construction management and inspection services to ensure safety, communication, and timely project completion. Ms. Lausten added that approving both phases of the contract with Butier will reduce inspection costs.

Director Safranski expressed his support of construction management for the project, and he requested that changes to the project schedule and costs be kept at a minimum.

Director Horst requested further clarification from the contractor regarding the role of construction manager.

Director Anderson noted the aggressive timeline of the project.

- MOTION:**
1. Receive Dimension Water Transmission Main Rehabilitation Project status updates.
  2. Authorize the General Manager to award a professional services contract for the construction management services for the Dimension Transmission Main Pipeline Project – Phase 1A (FFRP) to Butier in the amount of \$127,387.00 plus a 10% contingency of \$12,738.70, for a not-to-exceed amount of \$140,125.70.

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3. Authorize the General Manager to award a professional services contract for the construction management services for the Dimension Transmission Main Pipeline Project – Phase 1B (Pipe Bursting) to Butier in the amount of \$236,309.00 plus a 10% contingency of \$23,630.90, for a not-to-exceed amount of \$259,939.90 – Director Safranski

**SECOND:** Director Anderson

**AYES:** Directors Anderson, Horst & Safranski

**NOES:** None

**ABSTAIN:** None

**ABSENT:** Directors Mandich & Acosta

**MOTION PASSED/FAILED:** Passed 3 – 0 - 2 with Directors Mandich & Acosta absent

**LEGISLATIVE AND OTHER MATTERS**

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

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Ms. Collins provided a brief report on two proposed legislative bills as follows:

AB 367 would require Ventura County to harden their water systems for fire suppression efforts related to wildfires. Ms. Collins added that although the bill applies only to Ventura County, if passed, a state-wide bill will be proposed in the future. Ms. Collins noted that the Association of California Water agencies, neighboring agencies and the water community in general oppose this bill.

SB 707 would amend the Brown Act to require special districts who serve a population of 200,000 or more to translate public meeting material into other languages, among other changes. Ms. Collins noted that this bill would not apply to the District due to its population size.

**MOTION:** None

**CLOSED SESSION**

The Board of Directors entered into closed session in accordance with the agenda at 7:16 p.m. The General Manager and District General Counsel participated in closed session.

The closed session ended at 9:06 p.m.

**ITEM 11: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION**

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Ms. Collins reported that the Board of Directors met in closed session to review the matter as agendized, and that there was no action to be reported in closed session.

**ITEM 12: APPROVAL OF GENERAL MANAGER CONTRACT AMENDMENT**

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Ms. Collins reported that this matter would be tabled for discussion at a future meeting.

**GENERAL COUNSEL REPORT**

None

**OTHER INFORMATION/MATTERS**

None

**ADDITIONAL DIRECTORS' COMMENTS**

None

**ADJOURNMENT**

Director Anderson adjourned the August 20, 2025 Regular Board Meeting at 9:07 p.m.