

**MINUTES OF THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT  
APRIL 17, 2013**

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The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Mandich at 7:04 P.M. at TCWD's Main Office located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Michael Perea, District Secretary, recorded and transcribed the minutes thereof.

**DIRECTORS PRESENT**

Board President Ed Mandich  
Vice President Jim Haselton  
Director Mike Safranski  
Director Stephen Dopudja

**DIRECTORS ABSENT**

Director Glenn Acosta

**STAFF PRESENT**

Hector Ruiz, General Manager  
Michael Perea, District Secretary  
Karen Warner, Accounting Supervisor

**DISTRICT CONSULTANTS PRESENT:**

District General Legal Counsel - Robert E. Anslow (Bowie, Arneson, Wiles & Giannone)

**PUBLIC PRESENT**

There were members of the public present

**PLEDGE OF ALLEGIANCE**

Vice President Jim Haselton led the Board and staff in the pledge of allegiance

**VISITOR PARTICIPATION**

No comments were received.

**ORAL COMMUNICATION**

Mr. Jeff Thomas, Division Six Director of Municipal Water District of Orange County (MWDOC) spoke concerning MWDOC's Tier Two Contingency Fund, commended District staff, and presented a reimbursement check to the Board in the amount of \$45, 133.00.

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Mr. Karl Seckel, Interim General Manager of MWDOC, introduced himself to the Board, and spoke concerning the importance of Southern Orange County's water reliability, infrastructure, and imported water issues.

Mr. James Eakin, District customer, spoke to the Board concerning the District's policy and procedure for the non-payment of utility bills, which includes the delivery of a disconnection notice to the customer's residence and the physical lock off of the meter. Mr. Eakin expressed his concerns with the procedure, and requested that the Board review the process and the current utility bill form for improving the clarity of information.

**DIRECTOR'S COMMENTS**

Director Dopudja had no comments.

Vice President Haselton had no comments.

Director Safranski commented on the MWDOC Annual Elected Officials Meeting and Budget Review Meeting.

President Mandich commented that he and the General Manager, Mr. Hector Ruiz, recently met with Mesa Water District (Mesa) General Manager, Mr. Paul Shoenberger, and Mesa Board President, Mr. James Fisler.

**REPORT FROM THE GENERAL MANAGER**

The General Manager, Hector Ruiz, commented on the following items:

1. Mr. Ruiz commented that he attended the Dove Canyon Master Association (DCMA) April Regular Board Meeting at their request to provide an overview of the District service area and facilities.
2. Mr. Ruiz commented that District Wastewater Operations staff repaired a line break on a 10" sewer force main at the Robinson Ranch Wastewater Treatment Plant. Mr. Ruiz commented the break was the result of a 4" split on the pipeline, there was no spill and this incident was not reportable.

**ITEMS TOO LATE TO BE AGENDIZED**

There were no items too late to be agendized.

**CONSENT CALENDAR**

The Board President indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member requested a separate action on a specific item.

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**Action:** A motion was made by Director Safranski and seconded by President Mandich to approve the Consent Calendar, Item Nos. 1 through 4. The motion carried 4 – 0.

### **ACTION CALENDAR**

#### **ADMINISTRATIVE MATTERS**

##### **ITEM 5: DISTRICT WEBSITE UPGRADE PROJECT**

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The General Manager, Hector Ruiz, commented that staff received five proposals for consultant services for the redesign of the District's website. Mr. Ruiz added that staff has reviewed the proposals, and shortlisted three of the vendors for interview based on the following criteria: local presence, relative projects, and clear terms of proposal for service. Discussion occurred concerning project management and development, proposed content management solutions, and the importance of the website's level of security. Mr. Ruiz commented that staff would like to meet with the proposed vendors to demonstrate their website solutions and options which are available to the District. Discussion occurred concerning alternate solutions to the website upgrade, staff limitations concerning website management, and project costs. Mr. Ruiz commented that staff will bring more information concerning the shortlisted vendor interviews to the May or June Regular Board Meeting.

**Action:** None

##### **ITEM 6: ACTIVITIES FOR WATER AWARENESS MONTH**

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The General Manager, Hector Ruiz commented that the month of May is Water Awareness Month, and that the District has advertised the upcoming event at the Administrative Facility this year on Saturday, May 18<sup>th</sup>, from 10:00 AM to 2:00 PM in the May issue of On Tap Newsletter. Discussion occurred concerning proposed event highlights and event layout. Mr. Ruiz added there are opportunities to link certain demonstrations or event highlights with local charities or youth groups; he commented that staff will continue to seek out representatives of local charities and youth groups for participation in the dunk tank and the river boat race exhibits.

Mr. Ruiz mentioned that the City of Rancho Santa Margarita will be presenting the Trabuco Canyon Water District and Santa Margarita Water District with a proclamation for Water Awareness Month at the upcoming April 24 council meeting. President Mandich advised that he would be in attendance at the council meeting to receive the proclamation on behalf of the District.

**Action:** None.

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**ITEM 7: PUBLIC EMPLOYEES PENSION REFORM ACT OF 2013 AND OTHER BENEFITS UPDATES**

The General Manager, Hector Ruiz commented that this matter would be presented by the Administrative Services Manager, Michael Perea. Mr. Perea commented that the Public Employees' Pension Reform Act of 2013 (PEPRA) is the state-mandated limit to the level of pension benefits which the District can offer to new employees hired after January 1, 2013. Mr. Perea added that the retirement formula for these new employees is 2.0% at 62, and presented a CalPERS Summary of Pension Reform Provisions. Mr. Perea added that CalPERS has confirmed with staff that PEPRA prohibits the District from paying Employee Paid Member Contributions (EPMC), and that all employees hired after January 1, 2013, are required to pay the EPMC. Mr. Perea added that this provision does not apply to new hires which meet CalPERS Reciprocity rules, nor does it affect employees hired before December 31, 2012. Discussion occurred concerning the impact of PEPRA on potential new employees' pension benefits.

Mr. Perea commented that at the March 20, 2013, Regular Board Meeting, the Board was informed that staff has been notified by Vision Service Providers (VSP) that the current benefits offered to employees may be extended to retired employees at the retiree's cost. Mr. Perea added that at Board direction, he had contacted South Orange County water districts to determine the benefits which are offered to retired employees. Mr. Perea presented a table of the benefit survey results for Board review. Discussion occurred concerning the potential fiscal impact the extension of vision insurance to retirees could have on the District, and what benefits local agencies extend to retirees. Mr. Perea commented that this matter was informational in nature, and did not require action.

**Action:** None

**ITEM 8: AUTHORIZATION OF DISTRICT OFFICERS TO ORDER THE DEPOSIT OR WITHDRAWAL OF MONIES TO AND FROM THE LOCAL AGENCY INVESTMENT FUND (LAIF)**

The General Manager, Hector Ruiz, commented that staff has been notified by LAIF of the requirement of an updated resolution which authorizes specific District Officers to invest and/or transfer money in the District's account. Discussion occurred concerning the purpose for the selected District Officers listed on the Resolution; Mr. Ruiz commented that the Officers were designated in the prior resolution by title, and that Organizational changes dictate the updated resolution.

**Action:** A Motion was made by President Mandich and seconded by Vice President Haselton to approve and adopt Resolution No. 2013-1183 – Resolution of the Board of Directors of the Trabuco Canyon Water District Authorizing Investment of Monies in the Local Agency Investment Fund. The Motion carried 4 – 0.

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**ENGINEERING MATTERS**

**ITEM 9: BAKER REGIONAL WATER TREATMENT FACILITY**

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The General Manager, Hector Ruiz, provided a status update on the project, and commented that the Baker Regional Water Treatment Facility (BRWTF) Committee Meeting for April 11, 2013, was cancelled, and that there were no new project updates at this time. Discussion occurred concerning the language in the DRAFT Agreement prepared by Irvine Ranch Water District (IRWD), and IRWD's need to complete the project to take advantage of the favorable bid environment.

**Action:**           None

**ITEM 10: ALTERNATE RAW WATER TRANSMISSION LINE – PW79**

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The General Manager, Hector Ruiz, provided a status update on the project, and commented that the project's schedule was revised to note items yet to be determined due to the work being done by other agencies. Mr. Ruiz added that Tetra Tech (Consultant) has notified staff that it was necessary to request a time extension from the California Emergency Management Agency (Cal EMA) on this project. Mr. Ruiz commented that Tetra Tech assisted staff with the request for an extension of thirty months, the maximum allowed for this project. Mr. Ruiz commented that staff has been informally notified that the project has entered FEMA's Environmental Queue. Discussion occurred concerning the project extension process.

**Action:**           None

**ITEM 11: SHADOW ROCK DETENTION BASIN FACILITY**

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The General Manager, Hector Ruiz, provided a status update on the project, and commented that URS (Consultant) is proceeding with the project design work, and consulting with the Army Corps of Engineers, the Department of Fish and Wildlife, and the State Water Resources Control Board (SWRCB) on project-related matters. Mr. Ruiz added that staff is working with Southern California Edison to coordinate a power supply for the facility. Discussion occurred concerning project design and available power sources for the facility.

**Action:**           None

**LEGISLATIVE MATTERS**

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

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The General Manager, Hector Ruiz, commented on the following matters:

1. The South Orange County Economic Coalition's 2013 5<sup>th</sup> District Outlook Breakfast is

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scheduled for Friday, April 26, 2013. Mr. Ruiz added that any Directors that are interested in attending this event should coordinate with District Secretary, Michael Perea.

2. The sixth Annual Orange County Water Summit is scheduled for Friday, May 17, 2013. Mr. Ruiz added that any Directors that are interested in attending this event should coordinate with District Secretary, Michael Perea.
3. The Orange County Local Agency Formation Commission (OC LAFCO) is accepting applications from members of the public interested in serving on OC LAFCO as the Alternate Public Member. Mr. Ruiz added that the notice from OC LAFCO states that all applications must be completed and returned by May 13, 2013.
4. Staff received the OC LAFCO proposed Fiscal Year 2013/14 Budget and a request for comments, and that budget will be considered for at a public hearing on May 8, 2013. Mr. Ruiz presented a copy of the information to the Board for their review.

**Action:** None

**OTHER MATTERS**

The General Manager, Hector Ruiz, commented there were no other matters.

**Action:** None.

**ADDITIONAL DIRECTORS' COMMENTS**

There were no additional Director comments.

**ADDITIONAL GENERAL MANAGER COMMENTS**

The General Manager, Mr. Hector Ruiz commented that he will be placing on next month's Regular Board Meeting agenda a discussion item on the fiscal year budget development process with a workshop to be held on Saturday morning, June 1.

**CLOSED SESSION**

The Board, through President Mandich, recessed the Open Session portion of the Meeting at 8:22 P.M. The Board met in Closed Session with District General Legal Counsel, as set forth in the Meeting Agenda.

**CLOSED SESSION NO. 1**

The Board, through President Mandich, reconvened the Open Session of the Meeting at 8:29 P.M.

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**ITEM 13: DISCUSSION AND POSSIBLE ACTION CONCERNING TORT CLAIM SUBMITTED TO THE  
DISTRICT (CLAIM OF SOUTHERN CALIFORNIA EDISON – 2013)**

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**Action:** A Motion was made by President Mandich and seconded by Director Safranski to reject the Claim of Southern California Edison, as presented, and authorize General Legal Counsel to provide written notice of the rejection of the claim.

**END ACTION CALENDAR**

**ADJOURNMENT**

President Mandich adjourned the April 17, 2013, Regular Board meeting at 8:31 P.M.

M:\BOARD Minutes\2013 MINUTES\Regular Board Minutes April 17, 2013 **PENDING**