

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT
MAY 15, 2013**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Mandich at 7:01 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

President Ed Mandich
Vice President Jim Haselton
Director Glenn Acosta
Director Mike Safranski
Director Stephen Dopudja

STAFF PRESENT

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

DISTRICT CONSULTANTS PRESENT:

District General Legal Counsel – Jeff Hoskinson (Bowie, Arneson, Wiles & Giannone)
Cindy Navaroli - Byerrum, District Treasurer

PUBLIC PRESENT

There were members of the public present

PLEDGE OF ALLEGIANCE

Director Acosta led the Board and staff in the pledge of allegiance

VISITOR PARTICIPATION

No comments were received.

ORAL COMMUNICATION

No oral communication was received.

DIRECTOR'S COMMENTS

Director Dopudja commented that he had recently met with Mr. James Fisler, Mesa Water District Board President, whom commended TCWD and District Staff.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

Vice President Haselton had no comments.

Director Safranski had no comments.

Director Acosta congratulated District Secretary Michael Perea on the birth of his son.

President Mandich had no comments.

REPORT FROM THE GENERAL MANAGER

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

1. Mr. Ruiz commented that the MET Diemer Water Treatment Plant is online after a planned shutdown due to maintenance and repair.
2. Mr. Ruiz commented that the District's 2013 Consumer Confidence Report has been approved, and will be delivered to District customers by July 1, 2013, as required.

ITEMS TOO LATE TO BE AGENDIZED

The General Manager, Hector Ruiz, commented that the following item was too late to be agendized:

1. Proclamation from the District Board of Directors for Santa Margarita Water District Director Roger Faubel. Discussion occurred concerning the District's cooperative relationship with Santa Margarita Water District.

Action: A motion was made by Director Acosta and seconded by Director Mandich to agendize the Proclamation from the District Board of Directors for Santa Margarita Water District Director Roger Faubel. The motion passed 4 – 1, with Director Safranski voting against the motion.

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. Discussion occurred concerning Director schedule(s) on Item 4: Ratification of Directors' Fees and Expenses, and Tentative Future Meetings/Attendance Items. Director Acosta suggested to President Mandich that the matter be moved from the Consent Calendar to the Action Calendar for discussion and action.

Action: A motion was made by Director Acosta and seconded by Director Safranski to approve the Consent Calendar, Item Nos. 1 through 3. The motion carried 5 – 0.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

ACTION CALENDAR
ADMINISTRATIVE MATTERS

ITEM 4: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ ATTENDANCE ITEMS

The General Manager, Hector Ruiz, presented the Directors' Fees and Expenses schedule for review and correction, if necessary. Discussion occurred concerning President Mandich's schedule and the appropriate changes.

Action: A motion was made by Director Acosta and seconded by Director Safranski to approve Item 4, as corrected.
The motion carried 5 – 0.

ITEM 5: DISTRICT WEBSITE UPGRADE PROJECT

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: Received status update. No action taken.

ITEM 6: ACTIVITIES FOR WATER AWARENESS MONTH

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 18th, 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. Discussion occurred concerning the planned event highlights and event schedule.

Action: Received status update. No action taken.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

ITEM 7: DOVE CANYON MASTER ASSOCIATION (DCMA) LANDSCAPE STORAGE AREA

The General Manager, Hector Ruiz presented the final version of the Limited Use License Agreement (Agreement) from DCMA to the Board for approval to form and signature. Mr. Ruiz commented that this Agreement has been reviewed by the Engineering/Operational Committee and District General Legal Counsel. Additionally, Mr. Ruiz presented an aerial photograph of the affected land parcels in the Agreement. Discussion occurred concerning Agreement language, term, and provisions, and storage of chemicals and fertilizers at the site. Mr. Ruiz commented that the Agreement is the result of a collaborative effort and relationship with DCMA. Discussion occurred concerning site availability and aesthetic qualities.

Action: A Motion was made by Director Acosta and seconded by Vice President Haselton to approve form of Limited Use License Agreement with the Dove Canyon Master Association for Landscape Storage on Trabuco Canyon Water District Property in Dove Canyon.
The Motion carried 5 – 0.

ITEM 8: FISCAL YEAR 2013/2014 UNDEVELOPED LAND WATER STANDBY ASSESSMENT AND PUBLIC HEARING

The General Manager, Hector Ruiz, commented that purpose of this matter is to determine a public hearing date for the Fiscal Year 2013/2014 Standby Assessment for Undeveloped Land in the District's service area. Mr. Ruiz added that the District's Standby Assessment charge is currently \$15.00 per acre or portion thereof, and has not increased since 1993. Discussion occurred concerning the public notification process and opportunities for public comment and input.

Mr. Ruiz presented the proposed schedule for compliance with the public notice process and the public notice form, and commented that staff will work NBS (Consultant) to prepare the necessary documentation for the process. Mr. Ruiz recommended that this matter be agendized for the July 17, 2013, Regular Board Meeting. Discussion occurred concerning undevelopable land in the District's service area and a process for exemption for these locations. Mr. Ruiz commented that staff will review the District's Rules and Regulations for exemption provisions and any potential impact. Discussion occurred concerning water supply reliability and allocation.

Action: A Motion was made by Vice President Haselton and seconded by Director Acosta to proceed with the implementation of procedures to set the Fiscal Year 2013/2014 Water Standby Assessments at \$15.00 per acre or thereof and agendize a public hearing for the July 17, 2013, Regular Board Meeting.
The Motion carried 5 – 0.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

ITEM 9: FISCAL YEAR 2013/2014 BUDGET DEVELOPMENT PROCESS

The General Manager, Mr. Hector Ruiz, commented that at the April 17, 2013, Regular Board Meeting, the Board of Directors authorized the scheduling of a Special Board Workshop for the purpose of reviewing the proposed Fiscal Year 2013/2014 General Fund Budget and Capital Improvement Program. Mr. Ruiz commented that the District Treasurer, Ms. Cindy Navaroli-Byerrum, was in attendance to answer any questions concerning the information presented on this matter. Mr. Ruiz presented and reviewed the Municipal Water District of Orange County (MWDOC) Proposed Rates for the District for Fiscal Year 2013/2014. Discussion occurred concerning MWDOC's proposed rates, the programs which the District participates in MWDOC's "Choice Program", and budget development process. Mr. Ruiz proposed that the Special Board Workshop be held on Saturday, June 1, 2013; after some discussion, the proposed date was changed to Tuesday, June 4, 2013, at 6:00 P.M. Discussion occurred concerning current standing on the Fiscal Year 2012/2013 Budget and Budget development.

Action: A Motion was made by Vice President Haselton and seconded by Director Safranski to hold a Special Board Meeting on June 4, 2013, at 6:00 P.M., with an Agenda item for the Fiscal Year 2013/2014 Budgeted Workshop. The Motion carried 5 – 0.

ENGINEERING MATTERS

ITEM 10: BAKER REGIONAL WATER TREATMENT FACILITY

The General Manager, Hector Ruiz, provided a status update on the project, and commented that the Baker Regional Water Treatment Facility Committee meeting scheduled for April 11, 2013, was cancelled, and the next Committee meeting was scheduled for May 16, 2013. Mr. Ruiz commented that any additional or new information will be presented at the next Regular Board Meeting. Discussion occurred concerning project costs, schedule, and construction management of the project.

Action: Received status update. No action taken.

ITEM 11: ALTERNATE RAW WATER TRANSMISSION LINE – PW79

The General Manager, Hector Ruiz, provided a status update on the project, and commented that the California Emergency Management Agency (CalEMA) has notified staff that the Federal Emergency Management Agency (FEMA) has approved and granted the District the requested time extension through December, 2014, for the completion of this project. Mr. Ruiz added that Tetrtech (Consultant) is coordinating with the Permitting Agenc(ies) and submitting the required environmental documentation. Mr. Ruiz commented that the completion of these items are beyond the control of the District, and are subject to change as demonstrated in the updated Project Schedule. Discussion occurred concerning project timeline, history, and emergency repair scenarios in the event of a catastrophic failure.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

Action: Received status update. No action taken.

ITEM 12: SHADOW ROCK DETENTION BASIN FACILITY

The General Manager, Hector Ruiz, provided a status update on the project, and commented that URS (Consultant) is working with the Army Corps of Engineers with the permit application. Discussion occurred concerning project timeline and design.

Action: Received status update. No action taken.

ITEM 13: TRACT NO. 16677 HIGHLAND ESTATES DEVELOPMENT BY RSM 8, LLC – ACCEPTANCE OF WATETR AND SEWER FACILITIES CONSTRUCTED IN TRACT NO 16677 AND OFF-SITE NON-DOMESTIC WATER IMPROVEMENTS

The General Manager, Hector Ruiz, provided a status update on the project, and commented that the Engineering/Operational Committee has reviewed this matter. Mr. Ruiz commented that the formal acceptance of the facilities and improvements for Tract No. 16677 requires the adoption of Resolution No. 2013-1184 – Resolution of the Board of Directors of Trabuco Canyon Water District Accepting Water and Sewer Facilities Constructed Within Tract No. 16677 and Accepting Off-Site Non-Domestic Water Improvements (Highland Estates by RSM 8, LLC). Discussion occurred concerning the sale of the homes in the Tract, and the status of the Automatic Meter Read (AMR) Pilot Project.

Action: A Motion was made by Director Safranski and seconded by President Mandich to approve Resolution No. 2013-1184 - Resolution of the Board of Directors of Trabuco Canyon Water District Accepting Water and Sewer Facilities Constructed Within Tract No. 16677 and Accepting Off-Site Non-Domestic Water Improvements (Highland Estates by RSM 8, LLC). The Motion carried 5 – 0.

LEGISLATIVE MATTERS

ITEM 14: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

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

1. Mr. Ruiz commented that staff has been notified by the Independent Special Districts of Orange County (ISDOC) of proposed amendments to their bylaws. Mr. Ruiz commented that ISDOC is requesting input and comments concerning the proposed changes, and presented the bylaws amendment timeline. Discussion occurred concerning the assignment of reviewing the proposed amendments. President Mandich requested that Director Dopudja review the proposed amendments and report to the Board at the June 19, 2013, Regular

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

Board Meeting. Director Dopudja accepted and requested a digital version of the proposed bylaw amendments.

Action: No action taken.

2. Mr. Ruiz presented the Orange County Local Agency Formation Commission's (OC LAFCO) publication titled "Shared Services: Working Together and Saving Together" for Director review and comment. Mr. Ruiz commented that the shared services are part of OC LAFCO's Municipal Service Review.

Action: No action taken.

ITEM 15: PROCLAMATION FOR SANTA MARGARITA WATER DISTRICT DIRECTOR ROGER FAUBEL

The General Manager, Hector Ruiz, commented that he was contacted by the public relations firm Keena-Thomas regarding the District's participation in a Proclamation for Santa Margarita Water District (SMWD) Director Roger Faubel's retirement. Mr. Ruiz commented that staff has prepared a Proclamation for Board review and approval. Discussion occurred concerning the District's cooperative relationship with SMWD, and the delivery of the Proclamation at SMWD's Regular Board Meeting scheduled for May 22, 2013, at 7:00 P.M. Discussion occurred concerning Director availability for the presentation of the Proclamation.

Action: A motion was made by Director Acosta and seconded by President Mandich to approve the Proclamation for Santa Margarita Water District Director Roger Faubel, as presented.
The motion passed 4 – 1, with Director Safranski voting against the motion.

OTHER MATTERS

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

Action: None.

ADDITIONAL DIRECTORS' COMMENTS

Director Safranski commented regarding recent news reports on Southern California Edison's potential for reduced or limited operation of the San Onofre Nuclear Generation Station, and its impact to the District's operations.

ADDITIONAL GENERAL MANAGER COMMENTS

There were no additional General Manager comments.

**REGULAR BOARD OF DIRECTORS MEETING MINUTES
MAY 15, 2013**

END ACTION CALENDAR

ADJOURNMENT

President Mandich adjourned the May 15, 2013, Regular Board meeting at 8:21 P.M.

M:\BOARD Minutes\2013 MINUTES\Regular Board Minutes May 15, 2013 **APPROVED**