



## **MINUTES OF THE SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | JANUARY 28, 2020**

The Special Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on January 28, 2020 was called to order by President Safranski at 6:00 PM, 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 Michael Safranski  
Vice President Don Chadd  
Director Glenn Acosta  
Director Stephen Dopudja  
Director Edward Mandich

### **STAFF PRESENT**

Fernando Paludi, General Manager  
Michael Perea, Assistant General Manager/District Secretary  
Lorrie Lausten, Principal Engineer  
Karen Warner, Accounting Supervisor  
Lisa Marie Sangi, Administrative Assistant

### **DISTRICT CONSULTANTS PRESENT:**

Rob Anslow, District General Legal Counsel (Atkinson, Andelson, Loya, Ruud & Romo)  
Cindy Byerrum, District Treasurer  
Steve Gagnon, Raftelis Financial Consultants

### **PUBLIC PRESENT**

There were no members of public present.

### **PLEDGE OF ALLEGIANCE**

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

### **VISITOR PARTICIPATION**

No visitor participation was received.

### **ORAL COMMUNICATION**

No oral communication was received.

### **DIRECTOR'S COMMENTS**

There were no Director comments received.

### **REPORT FROM THE GENERAL MANAGER**

Mr. Paludi reported a brief update related to the proposed Paloma Square Development. Mr. Paludi reported that he met with William Lyon Homes Representative Mr. Michael Battaglia, at his request, to discuss certain matters

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related to the District’s comment letters to the City of Rancho Santa Margarita Planning Department (City) regarding William Lyon Homes’ proposed Paloma Square Specific Plan.

Mr. Paludi reported that he met with City Manager Jennifer Cervantez to discuss the proposed development, and that Mr. Anslow had a phone conversation with City Attorney Gregory Simonian, at his request, concerning matters related to the District’s comment letters to the City regarding the William Lyon Homes’ Paloma Square Specific Plan.

**ACTION CALENDAR**

**ITEM 1: TRABUCO CANYON WATER DISTRICT 2020 WATER, WASTEWATER, AND NON-DOMESTIC WATER RATES AND CHARGES WORKSHOP**

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Mr. Paludi presented this matter for Board consideration, and he indicated that Mr. Gagnon was in attendance to deliver a presentation of the work completed to date concerning the District’s water, wastewater, and non-domestic water rates and charges analysis (Rate Analysis). Mr. Paludi reported the key components of the Rate Analysis were an in-depth review of planned capital improvement projects, an evaluation of the District’s reserves, and detailed assessment of the costs of service for water, wastewater, and non-domestic water rates and charges.

Mr. Gagnon reviewed the financial analysis and plan for the proposed five-year rate and charge implementation, and he provided an overview of the impacts to the District’s revenues and expenses, which include reduced overall demand of domestic and non-domestic water sales, increased energy costs, and increased operational/maintenance costs due to current market demands outside of the District’s control. Mr. Gagnon provided a detailed evaluation of the proposed water, wastewater, and non-domestic water rates, and he requested input from the Board of Directors concerning the information presented.

Discussion occurred concerning the impact of water use efficiency public outreach to District customers, an evaluation of the current tiered water rate methodology, and consideration of the implementation timeline of proposed rates and charges. President Safranski recommended that District staff evaluate the Board’s input and schedule another Special Board Meeting – Rates Workshop in the coming months to review the results.

**Action:** The Board of Directors received the information and presentation. There was no action taken.

**ADDITIONAL DIRECTORS’ COMMENTS**

There were no additional Directors’ comments received.

**ADDITIONAL GENERAL MANAGER COMMENTS**

There were no additional General Manager comments received.

**END ACTION CALENDAR**

**ADJOURNMENT**

President Safranski adjourned the January 28, 2020 Regular Board meeting at 8:04 PM.