



**SPECIAL BOARD MEETING AGENDA  
TRABUCO CANYON WATER DISTRICT  
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CALIFORNIA  
ADMINISTRATIVE FACILITY  
APRIL 4, 2024 AT 5:30 PM**

---

**NOTICE OF SPECIAL BOARD MEETING**

*NOTICE IS HEREBY GIVEN PURSUANT TO GOVERNMENT CODE SECTION 54956 THAT A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT WILL BE HELD ON THURSDAY, APRIL 4, 2024, AT 5:30 P.M. AND WILL BE CONDUCTED IN PERSON BUT WILL BE AVAILABLE FOR PARTICIPATION BY THE PUBLIC BY TELEPHONE AUDIO AS DESCRIBED BELOW.*

---

**BOARD OF DIRECTORS**

Stephen Dopudja, President  
Edward Mandich, Vice President  
Glenn Acosta, Director  
Don Chadd, Director  
Michael Safranski, Director

**DISTRICT STAFF**

Fernando Paludi, General Manager  
Michael Perea, District Secretary  
Cindy Byerrum, District Treasurer  
Hanson Bridgett LLP, District General Legal Counsel

---

**AGENDA NOTE:**

*Trabuco Canyon Water District (District) will make this Regular Board Meeting available by telephone audio as follows:*

**Telephone Audio:** 1 (669) 900-6833 (Toll Free)      **Access Code:** 913-8681-1652

*Persons desiring to monitor the Board meeting agenda items may download the Board meeting agenda and documents on the internet at [www.tcwd.ca.gov](http://www.tcwd.ca.gov). You may submit public comments by email to the Board at [mperea@tcwd.ca.gov](mailto:mperea@tcwd.ca.gov). In order to be part of the record, emailed comments on meeting agenda items must be received by the District, at the referenced e-mail address, not later than 5:00 p.m. (PDT) on the day of the meeting.*

**CALL MEETING TO ORDER & PLEDGE OF ALLEGIANCE**

**VISITOR PARTICIPATION**

*Members of the public wishing to address the Board regarding a particular item on the agenda are requested to submit public comments by email to the Board at [mperea@tcwd.ca.gov](mailto:mperea@tcwd.ca.gov). Public comments may also be submitted by teleconference during the meeting. The Board President will call on the visitor following the Board's discussion about the matter. Members of the public will be given the opportunity to speak prior to the Board taking action on that item. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.*

**ORAL COMMUNICATION**

*Members of the public who wish to make comment on matters not appearing on the agenda are requested to submit oral communication by email to the Board at [mperea@tcwd.ca.gov](mailto:mperea@tcwd.ca.gov). Public comments may also be submitted by teleconference during the meeting. Under the requirements of State Law, Directors cannot take action on items not identified on the agenda and will not make decisions on such matters. The Board President may direct District Staff to follow up on issues as may be deemed appropriate. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.*

**DIRECTORS' COMMENTS AND MEETING REPORTS**

**REPORT FROM THE GENERAL MANAGER**

## ACTION CALENDAR

---

All matters under the Action Calendar have been reviewed by the General Manager and Staff prior to the Board's consideration.

### ADMINISTRATIVE MATTERS

---

#### ITEM 1: NOMINATION PERIOD AND APPOINTMENT PROCESS FOR OC LAFCO REGULAR SPECIAL DISTRICT MEMBER SEAT

**RECOMMENDED ACTION:**

1. Authorize Director Ed Mandich as the District's designated voting representative in the OC LAFCO Declaration of Qualification to Vote.
2. Designate an Alternate Voting Member from the Board of Directors.

#### ITEM 2: AB 1827 (PAPAN) – LOCAL GOVERNMENT: FEES AND CHARGES: WATER: HIGHER-CONSUMPTIVE WATER PARCELS: SUPPORT

**RECOMMENDED ACTION:**

Adopt a SUPPORT position on AB 1827 (Papan) and authorize the General Manager to sign the coalition letter.

#### ITEM 3: FINANCIAL MODEL REVIEW

**RECOMMENDED ACTION:**

Receive information at the time of the meeting and take action(s) as deemed necessary.

### END ACTION CALENDAR & ADJOURNMENT

#### AVAILABILITY OF AGENDA MATERIALS

Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Trabuco Canyon Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the Trabuco Canyon Water District Administrative Facility, 32003 Dove Canyon Drive, Trabuco Canyon, California (District Administrative Facility) and will be posted online on the District's website located at [www.tcwd.ca.gov](http://www.tcwd.ca.gov). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available online at [www.tcwd.ca.gov](http://www.tcwd.ca.gov) at the same time as they are distributed to the Board Members, except that, if such writings are distributed immediately prior to or during the meeting, they will be posted online on the District's website located at [www.tcwd.ca.gov](http://www.tcwd.ca.gov).

#### COMPLIANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2

In compliance with California law and the Americans with Disabilities Act, if you need special disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 858-0277, at least 48 hours in advance of the scheduled Board meeting. Notification at least 48 hours prior to the meeting will assist the District in making reasonable arrangements to accommodate your request. The Board Meeting Room is wheelchair accessible.



**TRABUCO CANYON WATER DISTRICT  
SPECIAL BOARD MEETING AGENDA | APRIL 4, 2024**

**FUTURE SCHEDULED REGULAR BOARD MEETINGS OF THE BOARD OF DIRECTORS**

*Upcoming Regular Meetings of the Board are expected to be held at the District Administrative Facility (Board Meeting Room) located at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679 and are currently scheduled as follows:*

**April 18, 2024 | May 16, 2024 | June 20, 2024**



**TRABUCO CANYON WATER DISTRICT  
REGULAR BOARD MEETING | APRIL 4, 2024**

**ACTION CALENDAR**

**ADMINISTRATIVE MATTERS**

**ITEM 1: NOMINATION PERIOD AND APPOINTMENT PROCESS FOR OC LAFCO REGULAR SPECIAL DISTRICT MEMBER SEAT**

The nomination period for the Orange County Local Agency Formation Commission (OC LAFCO) Regular Special District Member seat is now open. The OC LAFCO Executive Officer will accept nominations for this seat through April 15, 2024. The current term for this seat expires June 30, 2024. The appointment process for the OC LAFCO special district seat is governed by Government Code Section 56332 and the Independent Special District Selection Committee Bylaws.

In accordance with the statute and Committee’s Bylaws, the District’s Board of Directors must complete the “Declaration of Qualification to Vote” form by selecting a primary and alternate voting member if the District plans to participate in the process. This form must be returned to OC LAFCO no later than **4:00 p.m. on Monday, April 15, 2024**. The Board of Directors may also nominate a candidate for the Regular Special District seat by completing the “2024 Nomination Form” no later than **4:00 p.m. on Monday, April 15, 2024**.

<i>Appointment Process Schedule for OC LAFCO Regular Special District Member Seat</i>	
<b>ACTION</b>	<b>DATE</b>
LAFCO Executive Officer emails notification letter with nomination and Declaration of Qualification to Vote forms to independent special district presiding officers (c/o district clerk) and general managers.	<b>March 11, 2024</b>
Deadline for submitting nomination and declaration forms to OC LAFCO by 4:00 p.m.*	<b>April 15, 2024 (4 PM)</b>
Ballots emailed to special district presiding officers/designees (c/o district clerk).	<b>May 6, 2024</b>
Ballots due to OC LAFCO by 4:00 p.m.	<b>June 10, 2024 (4 PM)</b>
OC LAFCO staff (or designee) tabulates ballots and announces results.	<b>June 17, 2024</b>
Oath of Office Administered.	<b>July 10, 2024 (Commission Hearing)</b>
<i>* Pursuant to Government Code Section 56332(c)(1), if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected with no further proceedings.</i>	

**FUNDING SOURCE:**

Not applicable

**FISCAL IMPACT**

Not applicable

**COMMITTEE STATUS:**

This matter has been reviewed with the Executive Committee.

**RECOMMENDED ACTION:**

1. *Authorize Director Ed Mandich as the District’s designated voting representative in the OC LAFCO Declaration of Qualification to Vote.*
2. *Designate an Alternate Voting Member from the Board of Directors.*

**TRABUCO CANYON WATER DISTRICT  
REGULAR BOARD MEETING | APRIL 4, 2024**

**EXHIBITS:**

1. OC LAFCO Memo RE: Nomination Period and Appointment Process for the OC LAFCO Regular Special District Member Seat
2. Declaration of Qualification to Vote
3. 2024 Nomination Form

**CONTACTS (staff responsible): PALUDI/PEREA**

March 11, 2024

**TO:** Independent Special District, Presiding Officer  
**(Delivered by email: c/o Clerk of the District)**

**FROM:** Carolyn Emery, Executive Officer

**SUBJECT:** Nomination Period and Appointment Process for the OC LAFCO Regular Special District Member Seat

The nomination period for the Orange County Local Agency Formation Commission (OC LAFCO) Regular Special District Member seat is now open. The OC LAFCO Executive Officer will accept nominations for this seat from **March 11 through April 15, 2024**. The current term for this seat expires June 30, 2024.

The appointment process for the OC LAFCO special district seat is governed by Government Code Section 56332 and the Independent Special District Selection Committee Bylaws. In accordance with the statute and the Committee's Bylaws, the appointment process is conducted by mailed ballot and attached to this notification are the following:

(1) The **"Declaration of Qualification to Vote"** for designating the authorized regular voting member and alternate voting member, if applicable, of your district for this appointment process. This form must be returned to OC LAFCO no later than **4:00 p.m., Monday, April 15, 2024**. Please note, in accordance with the Independent Special District Selection Committee Bylaws, if OC LAFCO does not receive the form by this date, your district will be ineligible to vote; and

(2) The **"2024 Nomination Form"** for submitting a candidate's name for the OC LAFCO Regular Special District Member seat. If your district is nominating a candidate, the form must be filled out completely and returned to OC LAFCO by **4:00 p.m., Monday, April 15, 2024**. Candidate resumes or other supplemental information may be attached to the nomination form, and these materials will be distributed with the ballot.

Completed declaration and nomination forms may be submitted to OC LAFCO electronically or by USPS mail at:

### REGULAR MEMBERS

CHAIR  
**Donald P. Wagner**  
County Member

VICE CHAIR  
**Wendy Bucknum**  
City Member

IMMEDIATE PAST CHAIR  
**Douglass Davert**  
Special District Member

**James Fisler**  
Special District Member

**Derek J. McGregor**  
Public Member

**Bruce Whitaker**  
City Member

**VACANT**  
County Member

### ALTERNATES

**Kathryn Freshley**  
Special District Member

**Carol Moore**  
City Member

**Lou Penrose**  
Public Member

**VACANT**  
County Member

### STAFF

**Carolyn Emery**  
Executive Officer

**Scott Smith**  
General Counsel

**Electronically:**

Email: [ccarter-benjamin@oclafco.org](mailto:ccarter-benjamin@oclafco.org)

**USPS Mail:**

Orange County Local Agency Formation Commission  
Attention: Cheryl Carter-Benjamin, Commission Clerk  
2677 North Main Street, Suite 1050  
Santa Ana, CA 92705

For your reference, the schedule of key dates for the appointment process is shown below:

<i>Appointment Process Schedule for OC LAFCO Regular Special District Member Seat</i>	
<b>ACTION</b>	<b>DATE</b>
LAFCO Executive Officer emails notification letter with nomination and Declaration of Qualification to Vote forms to independent special district presiding officers (c/o district clerk) and general managers.	<b>March 11, 2024</b>
Deadline for submitting nomination and declaration forms to OC LAFCO by 4:00 p.m.*	<b>April 15, 2024 (4 PM)</b>
Ballots emailed to special district presiding officers/designees (c/o district clerk).	<b>May 6, 2024</b>
Ballots due to OC LAFCO by 4:00 p.m.	<b>June 10, 2024 (4 PM)</b>
OC LAFCO staff (or designee) tabulates ballots and announces results.	<b>June 17, 2024</b>
Oath of Office Administered.	<b>July 10, 2024 (Commission Hearing)</b>
<i>* Pursuant to Government Code Section 56332(c)(1), if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected with no further proceedings.</i>	

Should you have any questions on this matter, you may contact OC LAFCO Commission Clerk Cheryl Carter-Benjamin at (714) 640-5100 or by email at [ccarter-benjamin@oclafco.org](mailto:ccarter-benjamin@oclafco.org).

Attachments:

1. Declaration of Qualification to Vote
2. 2024 Nomination Form – Regular Special District Member Seat

cc: Special District General Managers



**DECLARATION OF QUALIFICATION TO VOTE**

*Stephen Dopudja Presiding Officer*

*Trabuco Canyon Water District*

I, \_\_\_\_\_,\* hereby attest that  
\_\_\_\_\_\*\* has been authorized by the Board of  
\_\_\_\_\_ to vote in the OC LAFCO Special  
District Selection Committee election as the regular voting member.

The Board also designated \_\_\_\_\_\*\* as the alternate voting  
member.

**Name and Title\*:** \_\_\_\_\_

**Signature\*:** \_\_\_\_\_

**Date\*:** \_\_\_\_\_

*\* Declaration MUST be completed and signed by either Board President or Board Secretary.*

*\*\* Must be a member of the Board.*

**In accordance with the Independent Special District Selection Committee Bylaws, completed declarations must be received by OC LAFCO by 4:00 PM, Monday, April 15, 2024. Declarations may be submitted electronically by email or USPS mail at:**

(1) Email: [ccarter-benjamin@oclafco.org](mailto:ccarter-benjamin@oclafco.org)

(2) USPS Mail: Orange County Local Agency Formation Commission  
2677 North Main Street, Suite 1050  
Santa Ana, CA 92705  
Attn: Cheryl Carter-Benjamin





## 2024 NOMINATION FORM

**NOMINEE INFORMATION FOR REGULAR SPECIAL DISTRICT MEMBER SEAT:**

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DISTRICT: \_\_\_\_\_

Check box if resume or statement of qualifications is attached.

**SPECIAL DISTRICT SELECTION COMMITTEE MEMBER SUBMITTING NOMINATION (*Must be the presiding officer or a designated alternate board member.*)**

NAME: \_\_\_\_\_ DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DISTRICT: \_\_\_\_\_

A resume or other supplemental information about the nominee may be included and will be distributed with the ballot. The completed nomination form and any supplemental information must be returned to OC LAFCO by **4:00 p.m., Monday, April 15, 2024** and may be submitted electronically or by USPS to:

- **Electronically**  
Email: [ccarter-benjamin@oclafco.org](mailto:ccarter-benjamin@oclafco.org)
- **USPS Mail**  
Orange County Local Agency Formation Commission  
Attention: Cheryl Carter-Benjamin, Commission Clerk  
2677 North Main Street, Suite 1050  
Santa Ana, CA 92705

***Nomination forms or candidate information received after the deadline will not be considered in part to the nomination process conducted by OC LAFCO.***

**TRABUCO CANYON WATER DISTRICT  
REGULAR BOARD MEETING | APRIL 4, 2024**

**ACTION CALENDAR**

**ADMINISTRATIVE MATTERS**

**ITEM 2: AB 1827 (PAPAN) – LOCAL GOVERNMENT: FEES AND CHARGES: WATER: HIGHER-CONSUMPTIVE WATER PARCELS: SUPPORT**

---

Irvine Ranch Water District (IRWD) and the California Coastkeeper Alliance (CCKA) are sponsoring Assembly Bill 1827 (Papan). AB 1827 reinforces the authority of public water agencies under the law to ensure water suppliers can continue to use meter size and peaking factors to proportionally allocate the costs associated with providing water service among customers and proposes to amend Proposition 218's implementation statute to confirm that these long-standing cost allocation methods may continue to be used.

Currently, water agencies across the state are being sued to challenge the long-standing methods of cost allocation by alleging that charging customers that use more water for the additional cost of that higher use is prohibited by Article XIII D of the California Constitution (i.e. "Proposition 218"). However, Proposition 218's proportionality requirements allow water suppliers to charge customers with higher water usage to recoup legitimate costs attributable to those higher water users. This bill would provide that (1) the fees or charges for property-related water service imposed or increased, as specified, may include the incrementally higher costs of water service due to specified factors, including the higher water usage demand of parcels; (2) provide that the costs associated with higher water usage demands, the maximum potential water use, or a projected peak water usage demand may be allocated using any method that reasonably assesses the water service provider's cost of serving those parcels that are increasing potential water usage demand, maximum potential water use, or project peak water use demand; (3) declare that these provisions are declaratory of existing law. Included with this staff report is the AB 1827 fact sheet and a copy of the draft coalition letter.

District staff recommends the Board of Directors adopt a SUPPORT position on AB 1827 and authorize the General Manager to sign the coalition letter.

**FISCAL IMPACT**

None at this time

**ENVIRONMENTAL COMPLIANCE:**

Not applicable

**COMMITTEE STATUS:**

This matter was reviewed with the Executive Committee.

**RECOMMENDED ACTIONS:**

*Adopt a SUPPORT position on AB 1827 (Papan) and authorize the General Manager to sign the coalition letter.*

**EXHIBIT(S):**

1. AB 1827 Bill Language
2. Draft Coalition Letter

**CONTACTS (staff responsible): PALUDI/PEREA**


[Home](#)
[Bill Information](#)
[California Law](#)
[Publications](#)
[Other Resources](#)
[My Subscriptions](#)
[My Favorites](#)

## AB-1827 Local government: fees and charges: water: higher-consumptive water parcels. (2023-2024)

SHARE THIS:



Date Published: 01/12/2024 09:00 PM

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

### ASSEMBLY BILL

### NO. 1827

Introduced by Assembly Member Papan

January 12, 2024

An act to add Section 53750.6 to the Government Code, relating to local government finance.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1827, as introduced, Papan. Local government: fees and charges: water: higher-consumptive water parcels.

The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency, including requiring that the local agency provide public notice and a majority protest procedure in the case of assessments and submit property-related fees and charges for approval by property owners subject to the fee or charge or the electorate residing in the affected area following a public hearing.

Existing law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain circumstances. Existing law defines, among other terms, the term "water" for these purposes to mean any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source.

This bill would provide that the fees or charges for property-related water service imposed or increased, as specified, may include the incrementally higher costs of water service due to specified factors, including the higher water usage demand of parcels. The bill would provide that the costs associated with higher water usage demands, the maximum potential water use, or a projected peak water usage demand may be allocated using any method that reasonably assesses the water service provider's cost of serving those parcels that are increasing potential water usage demand, maximum potential water use, or project peak water use demand. The bill would declare that these provisions are declaratory of existing law.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 53750.6 is added to the Government Code, to read:

**53750.6.** (a) The fees or charges for property-related water service imposed or increased pursuant to Section 6 of Article XIII D of the California Constitution may include the incrementally higher costs of water service due to any of the following:

- (1) The higher water usage demand of parcels.
- (2) The maximum potential water use of parcels.
- (3) Projected peak water usage.
- (4) Any combination of paragraphs (1) to (3), inclusive.

(b) (1) The costs associated with higher water usage demands, the maximum potential water use, or a projected peak water usage demand may be allocated using any method that reasonably assesses the water service provider's cost of serving those parcels that are increasing potential water usage demand, maximum potential water use, or project peak water use demand.

- (2) In addition to any other method consistent with Section 6 of Article XIII D of the California Constitution, the costs associated with higher water usage demands, the maximum potential water use, or a projected peak water usage demand cost may be allocated based on meter size or peaking factors, as those are two methods that reasonably assess the water service provider's cost of serving those parcels which are increasing demand or potential water use.

(c) This section is declaratory of existing law.

April XX, 2024

The Honorable Juan Carrillo  
Chair, Assembly Local Government Committee  
1020 N Street, Suite 157  
Sacramento, CA 95814

**RE: AB 1827 (Papan): Low-Water User Protection Act- Support**

Dear Chair Carrillo:

We, the undersigned coalition of water suppliers [OTHER ENTITY TYPES WOULD BE ADDED IN THEY SIGN ON], are writing to express our support for AB 1827 and to thank you for authoring this important measure, which would ensure water suppliers can continue to use meter size and peaking factors to proportionally allocate the costs associated with providing water service among customers.

AB 1827 affirms existing law that allows water suppliers to use these reasonable and well-accepted methods of assessing the incremental costs associated with higher water usage demands to high water users. Because of lawsuits that threaten California water providers' ability to use these well-accepted methods of cost allocation, this measure is critical to preventing these costs from being passed on to low-water users.

A water supplier must maintain and invest in a water system and water supplies capable of meeting the maximum possible demand on any given day to ensure customers have reliable water service when they turn on their tap. Water customers that use more water than other similarly situated customers increase a water supplier's overall cost of providing water service due to the higher costs associated with building, operating, and maintaining a larger water system that can meet those larger water demands.

Water agencies across the state are being sued to challenge the long-standing methods of cost allocation. The lawsuits essentially allege that appropriately charging customers that use more water for the additional cost of that higher use is prohibited by Article XIII D of the California Constitution (i.e. "Proposition 218"). However, Proposition 218's proportionality requirements allow water suppliers to charge customers with higher water usage to recoup legitimate costs attributable to those higher water users.

In our opinion, these lawsuits are without merit. Our property-related service charges are legitimate under existing law, but in order to avoid lengthy and expensive legal battles with costs that will be passed on to our customers, the law needs to be affirmed by the Legislature.

Proposition 218 placed provisions into the California Constitution that limit local governments' authority to impose and increase taxes, fees, assessments, and charges. We faithfully abide by the requirements of Proposition 218 and are serious about our responsibility to provide services to our customers in an efficient and cost-effective manner.

While collectively, all customers pay for the costs associated with a community's water service, AB 1827 reinforces our authority under the law to impose fees or charges for property-related water services that include the incrementally higher costs of water service due to higher water usage demand, maximum potential water use, and projected peak water usage of parcels. AB 1827 does this by amending Proposition 218's implementing statute to confirm that the long-standing cost allocation methods used by water agencies can be used consistent with Proposition 218.

For these reasons, we strongly support your bill and urge your colleagues to vote "Aye" on AB 1827. Please do not hesitate to contact Christine Compton with IRWD at (949) 453-5338, Cody Phillips with CCKA at (310) 339-3691, or IRWD's Sacramento advocate Pilar Oñate-Quintana at (916) 230-4470 or if you have questions regarding this measure.

Sincerely,

X  
X

cc: The Honorable Members, Assembly Local Government Committee  
The Honorable Diane Papan, California State Assembly, 21<sup>st</sup> District  
Jimmy McDonald, Principal Consultant, Assembly Local Government Committee  
William Weber, Consultant, Assembly Republican Caucus

**TRABUCO CANYON WATER DISTRICT  
REGULAR BOARD MEETING | APRIL 4, 2024**

**ACTION CALENDAR**

**ADMINISTRATIVE MATTERS**

**ITEM 3: FINANCIAL MODEL REVIEW**

---

The Board of Directors adopted the current five-year schedule of rates and charges for the water, wastewater, and recycled water enterprises with the understanding that the District's financial model would be updated on an annual basis to track actual financial performance against what was projected at the time of the rate study. The District's rate consultants, IB Consulting, were retained to perform the financial model updates.

Updating the financial model in early April requires staff to provide early assumptions for the District's Fiscal Year 2024-25 Operating Budget and any revisions to project cost forecasts in the 5-year capital improvement program. The budget assumptions, CIP revisions, and the updated financial model will be discussed during the meeting.

**FISCAL IMPACT**

The financial model update provides financial forecasts only.

**ENVIRONMENTAL COMPLIANCE:**

Not applicable.

**COMMITTEE STATUS:**

This item was not reviewed by a Committee.

**RECOMMENDED ACTIONS:**

*Receive information at the time of the meeting and take action(s) as deemed necessary.*

**EXHIBIT(S):**

None.

**CONTACTS (staff responsible): PALUDI/PEREA/BYERRUM**