



MINUTES OF THE SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | OCTOBER 5, 2021

The Special Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on October 5, 2021 was called to order by President Chadd at 6:00 p.m., via conference call 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 Don Chadd
Vice President Stephen Dopudja
Director Glenn Acosta
Director Edward Mandich
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer

DISTRICT CONSULTANTS VIA CONFERENCE CALL

Claire Collins, Hanson Bridgett LLP – District General Counsel
Cindy Byerrum, Eide Bailly – District Treasurer
Lora Carpenter, Fieldman Rolapp
Robert Porr, Fieldman Rolapp
Brent Scharnberg, Stadia Realty
Cyrus Torabi, Stradling Law

PUBLIC PRESENT

None

PLEDGE OF ALLEGIANCE

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

ITEMS TOO LATE TO BE AGENDIZED

None

DIRECTOR'S COMMENTS

Director Mandich reported on his attendance at the following events:

- Municipal Water District Water Policy Forum and Dinner with new MET General Manager Adel Hagekhalil as the keynote speaker.
- Community Associations of Rancho (CAR) Meeting with the City of Rancho Santa Margarita Chief of Police.

Director Safranski welcomed the guests in the audience.

There were no other Director comments received.

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REGULAR BOARD OF DIRECTORS MEETING MINUTES | OCTOBER 5, 2021**

REPORT FROM THE GENERAL MANAGER

Mr. Paludi introduced the District's consultants in attendance and reported they would have a presentation on agenda item no. 2.

Mr. Paludi reported that he would out of office from October 14th to 31st for vacation.

ACTION CALENDAR

ITEM 1: CONSIDERATION AND POSSIBLE ACTION(S) REGARDING FUTURE BOARD MEETINGS DURING THE CURRENT STATE OF EMERGENCY

Mr. Paludi presented this matter for Board consideration, and he reported that due to the impacts of the adoption of Assembly Bill (AB) 361 that the Board may choose to act related to how its future public meetings will be held. Ms. Collins provided a brief review of the Governor's Executive Orders which suspended certain Brown Act requirements, and she reviewed the options available to the Board at this time. Discussion occurred concerning public meeting preparation challenges and the impacts on District staff.

Action: A motion was made by Director Safranski and seconded by Director Mandich to authorize District staff to prepare District public meetings in accordance with the Brown Act and take any and all necessary precautions.
The motion carried 5 – 0.

ITEM 2: CONSIDERATION AND POSSIBLE ACTION(S) REGARDING TRABUCO CANYON WATER DISTRICT FINANCIAL PROJECTIONS BASED ON THE CURRENT RATE STUDY

Mr. Paludi presented this matter for Board consideration, and he provided a brief update on the District's financial standing based on the recently adopted water, wastewater, and recycled water rates and charges. Ms. Byerrum highlighted certain incurred expenses and planned capital improvement projects that have the potential to exceed the stated revenues in the financial plan set in the rate study adopted in December 2020. Ms. Carpenter delivered a PowerPoint presentation which reviewed the current rates and charges in comparison with the anticipated operating expenses and capital improvement project costs which impact the overall reserves. Discussion occurred concerning certain budgeted FY 2021-2022 CIP projects. Ms. Collins commented that the District may choose to use its bonding powers effectively in order to mitigate District fiscal issues. Mr. Paludi recommended bringing additional information on this matter to the Finance/Audit Committee for their review.

Action: There was no action taken.

The Board, through President Chadd, adjourned for a ten-minute break.

CLOSED SESSION

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

The closed session ended at 8:23 p.m.

ITEM 3: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Action: President Chadd announced there was no action to report.

ADJOURNMENT

President Chadd adjourned the October 5, 2021 Special Board Meeting 8:25 p.m.