



**SPECIAL BOARD MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CALIFORNIA
ADMINISTRATIVE FACILITY, BOARD ROOM
FEBRUARY 28, 2023 AT 5:00 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 TUESDAY, FEBRUARY 28, 2023, AT 5:00 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 Special 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. You may submit public comments by email to the Board at 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. 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. 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.

ADMINISTRATION MATTERS

ITEM 1: NOTICE OF WITHDRAWAL FROM THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA)

RECOMMENDED ACTION:

Authorize the General Manager to send the "Notice of Withdrawal from SOCWA" to SOCWA and all SOCWA members by March 2, 2023.

ITEM 2: DISTRICT RATES AND CHARGES DEVELOPMENT WORKSHOP PRESENTATION BY IB CONSULTANTS

RECOMMENDED ACTION:

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

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. 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 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.

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 | FEBRUARY 28, 2023**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 1: NOTICE OF WITHDRAWAL FROM THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA)

The Trabuco Canyon Water District (District) Board of Directors has directed staff to take steps to withdraw from the South Orange County Wastewater Authority (SOCWA) Joint Powers Authority (JPA). The District is the only SOCWA member with no capacity interests in facilities and only receives recycled water permitting services through SOCWA. Although the District has historically realized value from participating in SOCWA, the additional costs to the District of directors, staff, and legal counsel participating in multiple current proposals to modernize or optimize the JPA has become disproportionate to the benefits received and can no longer be justified to the District's ratepayers.

Section 12.3 of the SOCWA JPA agreement allows for any member agency to withdraw from the JPA effective on the last day of a specified fiscal year by giving each member agency written notice 120 days prior to the end of that fiscal year, subject to certain conditions. Notwithstanding the fact that the District has requested SOCWA and all SOCWA members sign a TCWD-SOCWA Withdrawal Agreement (approved by your Board on February 16), staff recommends that the Board authorize the General Manager to send a "Notice of Withdrawal from SOCWA" ("Notice") for compliance with the JPA agreement.

The draft Notice, included as Exhibit 1, specifically addresses the TCWD-SOCWA Withdrawal Agreement, recognizing that TCWD's withdrawal from SOCWA will be effective as of the last date the Agreement is signed by all parties, which may be prior to June 30, 2023.

FUNDING SOURCE:

Not applicable

FISCAL IMPACT:

Staff has estimated a future net financial benefit to withdrawing from SOCWA.

ENVIRONMENTAL COMPLIANCE:

Not applicable

COMMITTEE STATUS

This matter was reviewed with the Executive Committee.

RECOMMENDED ACTION:

Authorize the General Manager to send the "Notice of Withdrawal from SOCWA" to SOCWA and all SOCWA members by March 2, 2023.

EXHIBITS:

1. Draft Notice of Withdrawal from SOCWA

CONTACTS (staff responsible): PALUDI/PEREA/COLLINS

STAFF MEMBERS

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



BOARD OF DIRECTORS

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

February 28, 2023

VIA EMAIL AND FEDEX

To: South Orange County Wastewater Authority
Attn: Mr. Jim Burror, Interim General Manager

and the members of the South Orange County Wastewater Authority (SOCWA):

City of Laguna Beach
City of San Clemente
El Toro Water District
Emerald Bay Service District

Irvine Ranch Water District
Moulton Niguel Water District
Santa Margarita Water District
South Coast Water District

Re: **NOTICE OF WITHDRAWAL FROM SOCWA**

Dear Mr. Burror and Members of SOCWA:

Trabuco Canyon Water District ("TCWD") hereby notifies SOCWA and the member agencies of its intent to withdraw from SOCWA effective on the date that the *Agreement for SOCWA Withdrawal and Concurrent Temporary Recycled Water Permit Services* ("TCWD-SOCWA Withdrawal Agreement") is fully executed by all SOCWA member agencies.

This notice is made pursuant to Section 12.3 of the *Joint Exercise of Powers Agreement Creating South Orange County Wastewater Authority* dated July 1, 2001.

As you are aware, the TCWD-SOCWA Withdrawal Agreement provides for TCWD's withdrawal from SOCWA and concurrently provides for SOCWA to continue to provide recycled water permit-related services for TCWD under a services contract until TCWD receives its own permit from the Regional Board. If SOCWA and all member agencies execute the TCWD-SOCWA Withdrawal Agreement prior to June 30, 2023, TCWD's withdrawal from SOCWA will be effective as of the last date the TCWD-SOCWA Withdrawal Agreement is signed.

Sincerely,

Fernando Paludi
General Manager

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ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 2: DISTRICT RATES AND CHARGES DEVELOPMENT WORKSHOP PRESENTATION BY IB CONSULTANTS

At the April 21, 2022 Regular Board Meeting, the Board of Directors authorized the General Manager to contract with IB Consultants to prepare and propose an updated financial and capital plan, revenue requirements, and cost of service and rates and charges. IB Consultants will deliver a presentation on the development of proposed water rates and charges at the time of the meeting.

FUNDING SOURCE:

General Fund

FISCAL IMPACT:

Budget not-to-exceed \$107,382 (consultant fee plus 10% contingency)

ENVIRONMENTAL COMPLIANCE:

Not applicable

COMMITTEE STATUS

This matter has not been reviewed at the Committee level.

RECOMMENDED ACTION:

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

EXHIBITS:

None

CONTACTS (staff responsible): PALUDI/PEREA