

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
EL TORO WATER DISTRICT

August 28, 2025

President Gaskins called the meeting of the Board of Directors of the EL TORO WATER DISTRICT to order at 7:30 a.m.

Vice President Freshley led the Pledge of Allegiance to the flag.

Committee Members MARK MONIN (Zoom), MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY, and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, SCOTT HOPKINS, Operations Superintendent, MIKE MIAZGA, IT Manager (Zoom), SHERRI SEITZ, Public Affairs Manager, VU CHU, Water Resources Supervisor, VICKI TANIOUS, Senior Accountant (Zoom), ABEL ESTRADA, Billing & Customer Service Supervisor (Zoom), SUE NORBERG, Office Assistant, MARC AVILA, Inspector, MARINA LINDSAY, Member of the Public (Zoom), and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Director Monin participated in the meeting via teleconferencing as noted in today's agenda and the remaining Board Members were present. Therefore, a Quorum was determined.

Oral Communications/Public Comments

There were no comments.

Items Received Too Late to be Agendized

President Gaskins asked if there were any items received too late to be agendized. Mr. Cafferty replied no.

Presentation of Awards, Recognitions, Certifications and Introductions

Mr. Cafferty recognized and congratulated Sue Norberg, Sherri Seitz, and Marc Avila for their years of service with the District.

Ms. Norberg, Ms. Seitz, and Mr. Avila left the meeting at approximately 7:52 a.m.

Consent Calendar

President Gaskins asked for a Motion.

Motion: Director McClean made a Motion, seconded by Vice President Freshley to approve the Consent Calendar.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Directors Reports for Meetings Attended

Director Havens stated that she attended the WACO meeting, the MWDOC P&O meeting, the Strategic Plan Workshop, the MWDOC/Met Directors Workshop, CAG, the State of the County event, the MWDOC Admin/Finance meeting, the ACWA Summer Water Quality Committee meeting, the MWDOC Board meeting, the District's Engineering and Finance meeting, the "This Day" Interview, the Baker Plant Tour, the District's regular Board meeting, will try to attend the Laguna Woods Village Water Conservation Committee meeting, and OC WaterReuse.

Vice President Freshley stated that she attended both ETWD's regular Board meetings, the Strategic Plan Workshop, the RRC meeting, the SOCWA Board meeting, the SOCWA Finance meeting, the Agenda Review meeting, the Laguna Woods City Council meeting, the MWDOC P&O meeting, the MWDOC/MET Directors Workshop, the MWDOC Board meeting, the OCWA luncheon, the CAG meeting, and the State of the County Luncheon.

Director McClean stated that he attended the Strategic Plan Workshop, the CAG meeting, the State of the County Luncheon, the MWDOC Admin/Finance meeting, the OCWA meeting, the District's Engineering and Finance meeting, the Baker Plant Tour, and the District's regular Board meeting.

Director Monin stated that he attended the State of the County event, the CASA Conference, the Urban Water Institute Conference, the CSDA Conference, the OCCOG meeting, the WACO meeting, the MWDOC P&O meeting, the Strategic Plan Workshop, the ISDOC Executive meeting, the MWDOC/Met Directors Workshop, the MWDOC Admin/Finance meeting, the CAG meeting, the MWDOC Board meeting, the District's Board meeting, and the District's Engineering and Finance meeting.

President Gaskins stated that he attended the CASA Conference, the MWDOC P&O meeting, the RRC meeting, the MWDOC Met Directors Workshop, the SOCWA Board meeting, the State of the County event, the MWDOC Admin/Finance meeting, the Agenda Review meeting, the Urban Water Institute Conference, the District's Engineering and Finance meeting, the Baker Plant Tour, today's Board meeting, and will be attending the Pres/VP/GM meeting.

General Manager Action Items

ACWA Board President, Vice President & Region Board Elections

Mr. Cafferty reported that there is only one candidate for the ACWA Board President and Vice President positions. He also noted a recommended slate for the Region 10 Board elections. The Board agreed to cast its ballot for Ernesto Avila as President, Carol Lee Gonzales-Brady as Vice President, and in support of the Region 10 recommended slate.

President Gaskins asked for a Motion.

Motion: Vice President Freshley made a Motion, seconded by Director Havens to authorize the General Manager to cast the District's ballot for Ernesto Avila as ACWA Board President, Carol Lee Gonzales-Brady as ACWA Vice President, and the Region 10 recommended slate, with the ballot to be submitted by the September 19, 2025 deadline.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Administrative Code Update – Capital Facilities Fees

Ms. Ford explained that Capital Facilities Fees are typically incurred during tenant improvement projects, which until recently had rarely been applied to residential projects. With Accessory Dwelling Units (ADUs) becoming more common, the District's Administrative Code must be updated to clearly address applicable fees. Staff and Legal Counsel reviewed State Legislation on ADU construction and the fees the District is legally permitted to impose. If a new service connection is requested, fees will be

calculated proportionally to the primary dwelling unit, as required by law. If an ADU is constructed simultaneously with the primary dwelling, the full capital facilities fee can be applied.

President Gaskins asked for a Motion.

Motion: Director Havens made a Motion, seconded by President Gaskins to approve the amendments to Sections 7080 and 7090 of the El Toro Water District Administrative Code.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Resolution No. 25-8-2 – Administrative Code Update – District Claim Procedures

Mr. Cafferty reported that updates to the District's claim procedures include provisions on rejection of claims and delegation of authority to the General Manager to reject claims or settle claims up to an amount of \$50,000. All claims will continue to be reported to the Board in the quarterly insurance report. Legal Counsel reviewed the updates to ensure legal compliance and coordination with JPIA.

President Gaskins asked for a Motion.

Motion: Vice President Freshley made a Motion, seconded by Director McClean to approve Resolution No. 25-8-2 modifying Section 6000 – District Claim Procedures of the District's Administrative Code.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Resolution No. 25-8-3 – Modifying Standing and External Organization Board and Staff Assignments for Calendar Year 2025

Mr. Cafferty explained that this item is intended to improve efficiency in submitting monthly Board Compensation reports and to clarify authorized compensable meetings. Mr. Cafferty showed an assignment list on the video screen that has been updated since the Board package was issued. The list presented at the meeting is the subject of approval by Resolution 25-8-3. Proposed changes to committee assignments include adding the SOCWA Executive Committee, ISDOC Executive Committee, Laguna Woods Television appearances, Chamber of Commerce events within the District's five cities served, and City Council meetings in those cities served when agenda items pertain to the District. Additional language clarifies that Directors will not be compensated for meetings not listed unless authorized by the Board of Directors or the Board President, with specified exceptions.

Director Monin inquired about including the OCCOG meeting, a function of ISDOC, in the list of authorized meetings. Mr. Cafferty explained that in the proposed Board Compensation reporting process, non-compensated meetings such as OCCOG can be listed and the 10 compensated meetings will be clearly identified. He added that conferences are approved by the Board through the consent calendar.

President Gaskins asked for a Motion.

Motion: Director Havens made a Motion, seconded by Vice President Freshley to approve Resolution No. 25-8-3 modifying Standing and External Organization Board and Staff Assignments for calendar year 2025.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Mr. Cafferty presented and reviewed the updated template and process for Board compensation reports.

General Manager Information Items

General Manager's Monthly Report

Mr. Cafferty reported that staff is working to renew an agreement with Moulton Niguel Water District (MNWD) for a street in Mission Viejo located within the District's service area, but its wastewater flows into MNWD's system.

Staff is coordinating with the City of Mission Viejo to determine responsibility of a sinkhole repair that developed outside the Freeway Lift Station. A surveyor will be coming out to mark and confirm the property line.

Legislative Reports

There were no comments.

Public Education and Outreach Report

Ms. Seitz reported that a draft version of the new ETWD website will be presented at the next Board meeting, and the Fall Newsletter will be distributed to customers in September. She also reviewed upcoming community events that District staff will be participating in.

Water Use Efficiency Report

Mr. Chu reported that total potable water usage increased by approximately 3% in July while recycled water usage rose by about 15% compared to last year.

SOCWA Reports

Vice President Freshley reported that the Strategic Plan was discussed at the Executive Committee meeting.

Ms. Ford reported that staff is coordinating with SOCWA on the Effluent Transmission Main project, including the replacement of techite pipe in Reaches B and C.

Mr. Cafferty reported that the Finance Committee is developing a cost allocation policy to establish procedures for budgeting and year end reconciliation.

Ms. Seitz left the meeting at approximately 8:58 a.m.

MWDOC

Mr. Cafferty reported that workshops have been held regarding MET's proposal to revise the treated water surcharge, which has historically been entirely volumetric. MET is determining the implementation of adding peaking and standby charges. He also noted that the recruitment process for MET's General Manager is ongoing.

South Orange County Agencies Group Meeting

Mr. Cafferty stated that there were updates on the emergency supply project that Moulton Niguel Water District is working on, as well as progress on the Doheny project.

ISDOC

Director Monin reported that the committee is preparing for the October quarterly meeting.

WACO

Director Monin reported that the program included an update on agriculture in Orange County.

COMMITTEE AND GENERAL INFORMATION

Dates to Remember for August/September

There were no comments.

Comments Regarding Non-Agenda Items

There were no comments.

Mr. Chu left the meeting at approximately 9:16 a.m.

Attorney Report

Mr. Granito reported on the status of the Prop 218 Class Action case of Patz v. City of San Diego and the potential of the California Supreme Court granting review. Mr. Granito also reported that he had assisted District staff with the draft Request for Proposals RE the potential Solar and Battery Project.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at approximately 9:28 a.m.

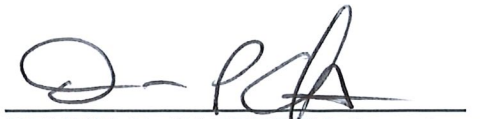
Respectfully submitted,


MARISOL MELENDEZ
Recording Secretary

APPROVED:



MIKE GASKINS, President of
the El Toro Water District and the
Board of Directors thereof


DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and
the Board of Directors thereof