

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

January 22, 2026

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

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

Directors MARK MONIN, 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, JUDY CIMORELL, Director of Human Resources, MIKE MIAZGA, Information Technology Manager (Zoom), SHERRI SEITZ, Public Affairs, Manager, VU CHU, Water Resources Supervisor, RORY HARNISCH, Senior Engineer (8:08 a.m.), VICKI TANIOUS, Senior Accountant (Zoom), ERIC WILSON, Senior Mechanic, CAROL MOORE, Laguna Woods City Council Member (Zoom), MIKE G. (Zoom), Member of the Public, and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Five Board members were present for the meeting. Therefore, a Quorum was determined.

Oral Communications/Public Comments

There were no comments.

Items Received Too Late to be Agendized

President Freshley 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 Mr. Wilson for 25 years of service with the District.

Mr. Wilson left the meeting at approximately 7:38 a.m.

Consent Calendar

President Freshley asked for a Motion.

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

Roll Call Vote:

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

Directors Reports for Meetings Attended

Director Gaskins stated that he attended the MWDOC P&O meeting, the MWDOC Met Directors Workshop, the MWDOC Admin/Finance meeting, the District's Engineering and Finance meeting, the MWDOC Board meeting, the District's regular Board meeting, the SOCAG meeting, will be attending the MWDOC Water Policy Forum, and the Water Infrastructure Networking Summit.

Director Monin stated that he attended the MWDOC P&O meeting, the ISDOC meeting, the MWDOC Met Director's Workshop, the CASA Conference, the MWDOC Admin/Finance meeting, the District's Board meeting, the District's Engineering and

Finance meeting, the MWDOC Water Policy Forum, the ISDOC Quarterly Luncheon, and the OCWA Luncheon.

Director McClean stated that he attended the MWDOC P&O meeting, the ISDOC meeting, the MWDOC Met Directors Workshop, the WACO meeting, the MWDOC Admin/Finance meeting, the District's Engineering and Finance meeting, the District's regular Board meeting, the SOCEC meeting, the MWDOC Water Policy Forum, and the Water Infrastructure Summit next week.

Vice President Havens stated that she attended the MWDOC P&O meeting, a WEROC meeting, the MWDOC Met Director's Workshop, the WACO meeting, the Agenda Review meeting, the MWDOC Admin/Finance meeting, the District's Engineering and Finance meeting, the District's regular Board meeting, the MWDOC Board meeting, will attend the MWDOC Water Policy Forum, the ISDOC Quarterly Luncheon, and the Form 700 Workshop next week.

President Freshley stated that she attended both ETWD's regular Board meetings, the RRC meeting, the SOCWA Board meeting, the SOCWA Executive Committee meeting, the SOCWA Finance Meeting, the CASA Conference, the ISDOC Luncheon, the LAFCO meeting, the Laguna Woods City Council meeting, the WACO meeting, the MWDOC P&O meeting, the MWDOC Met Directors Workshop, and the MWDOC Water Policy Dinner.

#### General Manager Action Items

#### Proposed Amendments to ISDOC Bylaws

Mr. Caffery reported that ISDOC is proposing updates to its Bylaws, including revisions to allow a staff member to serve as the Secretary and to permit the Executive Committee meetings to be conducted remotely.

President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Vice President Havens to cast a ballot in favor of the proposed Bylaw revisions as recommended by the ISDOC Executive Committee.

Roll Call Vote:

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

Resolution No. 26-1-3 Third Amendment to the El Toro Water District Retirement

Savings Plan

Mr. Cafferty explained that the District's 401(k) Plan allows participants to take loans against their retirement accounts, which are repaid with interest to the participant. He reported that the loan procedures have been updated and will be incorporated into the plan document by adoption of the Third amendment. The primary change increases the allowable number of loans that can be taken at a time from one to up to three, subject to the IRS limit of \$50,000 across all loans combined. He noted that Empower and Special Counsel reviewed the updated documents and confirmed they are legally compliant. The loan interest rate will remain at 4% and the age restriction previously included in the procedures has been removed.

Director Monin inquired about the three-loan limit. Mr. Cafferty responded that the limit was established to avoid creating excessive administrative burden for staff. He added that adjustments could be considered in the future if warranted.

President Freshley asked for a Motion.

Motion: Vice President Havens made a Motion, seconded by Director Gaskins to adopt Resolution No. 26-1-3, which adopts the Third Amendment to the El Toro Water District Retirement Savings Plan.

Roll Call Vote:

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

Resolution No. 26-1-4 Modifying Standing and External Organization Board and Staff

Assignments for Calendar Year 2026

Mr. Cafferty reported that committee assignments were updated as reflected in the redlined materials. He noted that the Community Advisory Group was removed from the list of standing committees, as previously discussed. Additional updates included revisions to ACWA committee assignments and the addition of MET inspection trips. He also stated that an updated Form 806 will be posted on the District website.

Director Monin inquired about including the WACO Planning meeting on the list of compensable meetings. Following Board discussion, the Board agreed to add the WACO Planning meeting as a compensable meeting available to all five Directors.

President Freshley asked for a Motion.

Motion: Director Monin made a Motion, seconded by Vice President Havens to adopt Resolution No. 26-1-4 modifying Standing and External Organization Board and Staff Assignments for Calendar year 2026, with the addition of WACO Planning as a compensable meeting.

Roll Call Vote:

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

General Manager Information Items

Operations Report

Mr. Hopkins reported that staff achieved 99% of the established goals, with the exception of hydrant painting. He stated that he will coordinate with the City and local fire department regarding the blue markers used to identify fire hydrant locations. He also noted that he will continue to solicit staff input on production goals.

Mr. Harnisch provided a detailed presentation on the battery report, explaining the background and context of the project, contract details, operational concepts, energy savings and savings-sharing structure, and the demand graph analysis. He noted that the prior year resulted in the highest savings to date, totaling \$67,464, and that savings are projected to increase in the current year.

Mr. Harnisch left the meeting at approximately 9:14 a.m.

General Manager's Monthly Report

Mr. Cafferty highlighted the Leadership Academy Program, which was developed in collaboration with seven other local agencies to provide participating staff with leadership tools and training.

Legislative Reports

There were no comments.

Ms. Ford left the meeting at approximately 9:24 a.m. and Mr. Sharma left the meeting at approximately 9:28 a.m.

### Public Education and Outreach Report

Ms. Seitz reported that President Freshley is scheduled for the next Laguna Woods Village Television appearance. She stated that a press release will be issued announcing the appointment of Director Kathryn Freshley as President and Director Kay Havens as Vice President. She also noted that the District's website is anticipated to launch in February.

### Water Use Efficiency Report

Mr. Chu reported that water usage decreased due to recent rainfall, with total potable demand down significantly in December 2025. He noted that recycled water, single family, and multi-family usage also declined compared to the same period last year. He added the staff submitted the Districts Urban Water Use Objective report last month and that all standards were met.

### SOCWA Reports

President Freshley reported that there was discussion regarding PC2's decision to hire a public relations consultant.

### MWDOC

Mr. Cafferty reported that a Colorado River update was discussed at the Met Directors workshop. He also noted that staff participated in an emergency response tabletop exercise with Vicki Osborne from WEROC, which provided valuable training and identified areas for staff follow up.

### LAFCO

President Freshley reported that Wendy Buckman was appointed as Chair and Jim Fisler as Vice Chair.

## ISDOC

Director Monin reported that Luis Tapia of LAFCO will be speaking at the Quarterly Luncheon.

## WACO

Director Monin reported that Robert Thompson from OC Sanitation District was the program speaker.

## COMMITTEE AND GENERAL INFORMATION

### Dates to Remember for January/February 2026

There were no comments.

### Comments Regarding Non-Agenda Items

Director Gaskins noted that an Edison power failure impacted internet service at Laguna Woods Village. Mr. Cafferty added that the Plant was also affected and that the generator proved effective during the outage.

Mr. Cafferty announced that the SOCAG meetings will be hosted by Santa Margarita after the next meeting.

### Attorney Report

Mr. Granito reported that there is no need for a Closed Session today.

### Adjournment

There being no further business to come before the Board, the meeting was adjourned at approximately 9:54 a.m.

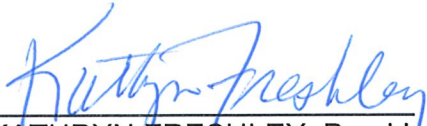
Respectfully submitted,



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MARISOL MELENDEZ  
Recording Secretary

APPROVED:



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KATHRYN FRESHLEY, President of  
the El Toro Water District and the  
Board of Directors thereof



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