



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | FEBRUARY 18, 2026

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on February 18, 2026, was called to order by President Mark Anderson at 6:00 p.m. 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 Mark Anderson
Vice President Glenn Acosta
Director John Horst
Director Edward Mandich
Director Michael Safranski

STAFF PRESENT

Larry McKenney, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant
Gary Kessler, Water Operations Superintendent

DISTRICT CONSULTANTS

Ian Berg, District Treasurer, Starting Line Advisory

PUBLIC PRESENT

There were other members of the public present

PLEDGE OF ALLEGIANCE

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

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

None

ORAL COMMUNICATION

Director Anderson stated that a member of the public submitted an e-comment after the posting of the agenda.

Allan Burnham – Mr. Burnham addressed the Board of Directors with his concerns related to the high costs of the District's legal services over the last 12 months.

Sue Marucci – Ms. Marucci addressed the Board of Directors with her concerns regarding a certain fire hydrant in her community that is set back from the roadway, and she requested that signage be installed to improve its visibility. Ms. Marucci also relayed her concerns with adequate hydrant pressures on Hamilton Trail.

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DIRECTOR'S COMMENTS

Director Safranski provided a brief report on meetings he attended during the previous month.

Director Acosta acknowledged the importance of fire hydrant pressures in the Hamilton Oaks community, and he stated that this matter was discussed at the previous Engineering/Operational Committee Meeting. Director Acosta stated that the Committee requested that staff research additional options to address the concerns.

Director Horst commented that the Board of Directors has addressed the matter of costs associated with legal services. Director Horst also stated that the next Chat with TCWD community forum would be held the following week.

Director Mandich had no comments.

Director Anderson had no comments.

REPORT FROM THE GENERAL MANAGER

Mr. McKenney reported that he would be attending the Urban Water Institute conference the following week.

CONSENT CALENDAR

Director Anderson indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests separate action on a specific item. Mr. McKenney presented Items 1-4 for Board consideration and approval in accordance with the agenda.

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

1. January 7, 2026 Special Board Meeting Minutes
2. January 21, 2026 Special Board Meeting Minutes
3. January 21, 2026 Regular Board Meeting Minutes
4. January 29, 2026 Special Board Meeting Minutes

ITEM 2: TREASURER'S REPORT

1. January 15, 2026 Finance/Audit Committee Meeting Recap
2. December 2025 Preliminary Unaudited Financials
3. January 2026 Bills for Consideration, Payroll and Payroll Taxes

ITEM 3: APPROVAL OF ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP(S)

1. January 7, 2026 Engineering/Operational Committee Meeting Recap

ITEM 4: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP(S)

1. January 5, 2026 Executive Committee Meeting Recap

MOTION: Approve the consent calendar as presented – Director Acosta

SECOND: Director Mandich

AYES: Directors Anderson, Acosta, Horst, Mandich & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ACTION CALENDAR

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ADMINISTRATIVE MATTERS

ITEM 5: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. McKenney presented this matter for Director consideration and comment, and he reported that this matter was reviewed with the Finance/Audit Committee.

MOTION: Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from January 2026 – Director Acosta

SECOND: Director Horst

AYES: Directors Anderson, Acosta, Horst, Mandich & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ITEM 6: INFORMATIONAL UPDATES FROM BOARD COMMITTEES

Committee members provided updates on the following Committees:

District Properties Committee – Director Mandich reported that the Committee is scheduled to meet with representatives from the Orange County Fire Authority (OCFA) the following week to discuss potential opportunities and uses for the District's Porter property.

Engineering/Operational Committee – Director Mandich reported that the Committee discussed the hydrants in the Hamilton Oaks community, and that he requested a site visit to observe the challenges on Hamilton Trail.

MOTION: None. Informational item only.

ITEM 7: UPDATE ON REQUEST FOR PROPOSALS FOR COMBINED SERVICES TO ACHIEVE RATE RELIEF

Director Anderson presented this matter for Board consideration, and he reported Rate Relief Ad Hoc Committee, comprised of the General Manager and Board President for each agency, met with the intention of maintaining momentum on the proposal. Director Anderson stated that both agencies are working on a more detailed plan and that the District should expect to receive a document the following month with the next steps. Mr. McKenney noted that the Rate Relief Ad Hoc Committee will hold monthly meetings.

Mr. McKenney added that he received comments from several HOA representatives during the Community Associations of Rancho (CAR) meeting, expressing their opposition to a dissolution/annexation of TCWD as proposed by Santa Margarita Water District and Irvine Ranch Water District.

MOTION: None. Informational item only.

ITEM 8: DISTRICT WEBSITE REDESIGN DEVELOPMENT AND SUPPORT SERVICES

Mr. Perea presented this matter for Board consideration, and he reported that in July 2025 staff issued a Request for Qualifications (RFQ) for website redesign, development and support services, which was reviewed with the Board in September 2025 and tabled for consideration until January 2026. Mr. Perea reported that the matter was brought back to the Public Outreach Ad Hoc Committee in January 2026, and that the Committee recommended that staff proceed with contracting with Streamline to redesign the District's website. Mr. Perea added that this project will improve online communication with customers and bring the website in compliance with the U.S. Department of Justice's (DOJ) recently adopted Web Content Accessibility Guidelines (WCAG) and Americans with Disabilities Act

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(ADA) regulations. Mr. Perea added that the contract is within the General Manager’s signing authority and that this matter was being discussed for transparency purposes.

Director Safranski voiced his opposition to spending District funds on website redevelopment with consolidation on the table.

Director Horst commented that he has expressed his support for this project as a member of both the Finance/Audit Committee and Public Outreach Ad Hoc Committee, and he noted that the project cost is half of what has been budgeted for this fiscal year.

Director Acosta expressed his support for staff’s recommendation to move forward with the project, emphasizing that the District’s website must remain compliant with government regulations. Director Acosta added that while consolidation is currently under consideration, the District must continue conducting business as TCWD.

Mr. Perea recommended entering into a two-year agreement at this time, and he stated that staff will work with the Public Outreach Ad Hoc Committee on content development.

MOTION: None. Informational item only.

FINANCIAL MATTERS

ITEM 9: DISCUSSION CONCERNING FY 2027 OPERATING BUDGET ASSUMPTIONS AND DEBT FINANCING SCHEDULING

Mr. McKenney presented this matter for Board consideration, and he reported that the District started the Fiscal Year 2027 budget development process, which includes planning for debt issuance for capital project funding and completing a new cost of service study for updated rates and charges. Mr. McKenney reported on staff’s coordination with the District’s financial consultant in preparation for a potential debt issuance in the coming months.

Mr. Berg delivered a PowerPoint presentation outlining the calendar for the FY 2027 budget process, along with a high-level overview of strategic financial considerations, revenue assumptions, capital financing assumptions, and inflationary assumptions.

MOTION: None. Informational item only.

ENGINEERING MATTERS

ITEM 10: HERITAGE SEWER LIFT STATION CONSTRUCTION MANAGEMENT CONTRACT AWARD

Ms. Lausten presented this matter for Board consideration, and she reported that staff solicited proposals for construction management and inspection services. Ms. Lausten reviewed the bid comparison summary results and reported that staff recommended awarding a professional services contract to MCM consulting.

Director Safranski raised questions regarding the role of construction management, and asked staff to control costs wherever possible.

Director Mandich stated that the bids fall within a reasonable range and expressed his support for awarding the contract.

Director Acosta explained the importance of construction management in the project, noting that it is a standard practice among water agencies.

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MOTION: Authorize the General Manager to award a professional services contract for the Construction Management of the Heritage Sewer Lift Station Improvements to MCM Consulting in the amount of \$247,464 plus a 10% contingency of \$24,746, for a not-to-exceed amount of \$272,210 – Director Mandich

SECOND: Director Acosta

AYES: Directors Anderson, Acosta, Horst, Mandich and Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

ITEM 11: DIMENSION WATER TREATMENT PLANT TRANSMISSION MAIN PIPELINE REHABILITATION PROJECT UPDATE

Ms. Lausten presented this matter for Board consideration, and she reviewed the project map while providing updates on each project phase. Ms. Lausten noted that the recent rain events have resulted in a slight delay and that the goal was to have the pipelines completed by the following week. Mr. Kessler added that the pipeline repairs must be completed before water is available for calibration and instrumentation, which is required to bring the plant online. Ms. Lausten also presented a brief video demonstrating the pipe bursting process in action.

MOTION: None. Informational item only

LEGISLATIVE AND OTHER MATTERS

ITEM 12: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

12.1. INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC) AMENDED AND RESATED BYLAWS

Director Anderson provided a brief summary of the changes and expressed his support for the proposed updates.

MOTION: Approve the Independent Special Districts of Orange County Proposed Amended and Restated Bylaws and authorize President Mark Anderson to cast Trabuco Canyon Water District’s vote on the official ballot – Director Acosta

SECOND: Director Mandich

AYES: Directors Anderson, Acosta, Horst, Mandich and Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

Director Anderson asked staff to prepare the ballot for his signature.

GENERAL COUNSEL REPORT

Mr. McKenney noted that General Counsel was excused from the meeting; therefore, no report was given.

MOTION: None.

CLOSED SESSION

The Board of Directors entered closed session in accordance with the agenda at 7:04 p.m. The General Manager participated in closed session.

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The Board of Directors and General Manager returned to open session at 7:33 p.m.

ITEM 13: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Director Anderson reported that the Board of Directors met in closed session to review and discuss the Memorandum of Understanding between TCWD and the International Brotherhood of Electrical Workers (IBEW) that was ratified by District employees.

ITEM 14: CONSIDERATION OF MEMORANDUM OF UNDERSTANDING BETWEEN TCWD AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW)

MOTION: Approve the Memorandum of Understanding Between TCWD and The International Brotherhood of Electrical Workers (IBEW) – Director Acosta

SECOND: Director Mandich

AYES: Directors Anderson, Acosta, Horst, Mandich and Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 – 0

OTHER INFORMATION/MATTERS

None

ADDITIONAL DIRECTORS' COMMENTS

None

ADJOURNMENT

Director Anderson adjourned the February 18, 2026 Regular Board Meeting at 7:34 p.m.