MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
May 26, 2026

A regular meeting of the Board of Directors of La Habra Heights County Water District was held on May 26, 2026, at 4:12 p.m., at the office of the District, located at 1271 North Hacienda Road, La Habra Heights.

Item 1. Roll call of Directors by Secretary/General Manager, Joe Matthews.

PRESENT: Directors, Cooke, McVicar and Perumean

ABSENT: Director Baroldi and Crabb

Item 2. Staff members and others present. Staff: Joe Matthews, Secretary/General Manager, Tammy Wagstaff, Treasurer and Ivan Ramirez, Superintendent. Others present: Michael Silander, District Counsel, Shawn Harkness, CV Strategies and Gretel Ochoa-Nhac, Civiltec Engineering.

Item 3. Public Communications – None

Item 4. Directors Report – Individual, Subcommittees and/or Attended Events. None

Item 5.a. & b. Minutes of Special Board meeting for May 7, 2026, and Financial Reports- April 2026. After discussion, there was a motion by Director Cooke and seconded by Director Perumean to approve minutes and financial reports. The vote was as follows:

AYES: Directors Cooke, McVicar and Perumean

NOES: None

ABSENT: Directors Baroldi and Crabb

Item 6. Approval of warrants and authorized signatures per warrant list. After discussion, there was a motion made by Director McVicar and seconded by Director Perumean that warrant numbers 48622 through 48682 in the amount of $216,352.47 and EFT transfers in the amount of $13,181.84 be approved and signatures be authorized. The vote was as follows:

AYES: Directors Cooke, McVicar and Perumean

NOES: None

ABSENT: Directors Baroldi and Crabb

Item 7. Report of Superintendent. The Superintendent reviewed the Superintendent's Report for May 2026.

(Director Crabb arrived at 5:00 p.m.)

Item 8.a. Discuss and award – Carrie Hills Lane Pipeline Project. After discussion, there was a motion by Director McVicar and seconded by Director Perumean to award J.A. Salazar project subject to the developer pay all associated fees prior to beginning the construction. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Item 8.b. Discuss and Approve Proposed Fiscal Year 2026/2027 Salary and Benefits. After discussion, there was a motion by Director Cooke and seconded by Director Perumean to approve adding two floating holidays, increasing on-call stipend to $40.00 per day, paying hourly employees double time for all hours worked in excess of 12 hours per day and paying five days for compassion leave. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

After further discussing salaries, there was a motion by Director Perumean and seconded by Director Crabb to approve a 3.37% cost of living increase and another 2% merit increase at the General Manager's discretion. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Item 8.c. Discuss and Adopt Resolution 26-04 Fiscal Year 2026/2027 Annual Budget. After discussion, there was a motion by Director McVicar and seconded by Director Perumean to approve Resolution 26-04. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Item 8.d. Discuss and Approve Revisions to the District's Procurement Policy increasing the General Manager's approval limits. After discussion, there was a motion by Director McVicar and seconded by Director Crabb to approve:
1) Increase approval limit from $5,000.00 to $10,000.00 for all goods and services with no purchase order or quote required
2) Increase approval range from ($5,000.00 to $15,000.00) to $10,000.00 to $25,000.00 for goods and services with one quote required
3) Increase approval range from ($15,000.00 to $50,000.00) to $25,000.00 to $50,000.00 with three informal quotes required
No other changes were proposed. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Item 8.e. Discuss and Approve Revising the Districts Rates, Rules, and Regulations to address proposed changes to Section 45 (Claims Procedures) and Section 39 (Returned Checks). After discussion, there was a motion by Director McVicar and seconded by Director Perumean to approve revising the Districts Rates, Rules, and Regulations. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Item 8.f. Discuss and Action General Manager Salary. After discussion there was a motion by Director Cooke and seconded by Director McVicar to increase the General Manager's salary by 6% and give a $10,000.00 bonus. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Item 9. General Manager Monthly PFAS report. The General Manager provided an update.

(Entered closed session 6:41 p.m.)

Item 10.a. CONFERENCE WITH LEGAL COUNSEL LIABILITY CLAIM (Govt. Code Section 54956.95(d):

Claimant: Jose Rangel.

Agency claimed against: La Habra Heights County Water District. After discussion, the board voted unanimously to accept the claim and settle the matter for $21,616.22.

Item 10.b. CONFERENCE WITH LEGAL COUNSEL LIABILITY CLAIM (Govt. Code Section 54956.95(d):

Claimant: Chris L. Gallant on behalf of Francis J. Gallant.

Agency claimed against: La Habra Heights County Water District. No reportable action was taken.

Item 10.c. Public Employee Performance Evaluation Title: Secretary/General Manager (Closed Session pursuant to Government Code Section 54957) Action was reported in Item 8.f.

(Adjourned closed session at 7:10 p.m.)

Item 11. There being no further business to come before the Board, a motion was made by Director Cooke and seconded by Director McVicar that the meeting be adjourned at 7:14 p.m. The vote was as follows:

AYES: Directors Cooke, Crabb, McVicar and Perumean

NOES: None

ABSENT: Director Baroldi

Dated: June 23, 2026

Brad Cooke, President

(SEAL)

Joe Matthews, Secretary