

MINUTES OF REGULAR MEETING
August 5, 2025
DISTRICT OFFICE

ROLL CALL:

Board President Rodriguez called the meeting to order at 5:03 P.M. Those in attendance: Director Rodriguez, Director Peranick, Director Silva, Director Valdez, Director Dutcher, Mike Slater, Harrison Hughes, Jason Franklin, JoAnn Vierra

Jason requested to add item 9.1.4 to the agenda, Request for COLA Increase for Employees. The District has not been granting COLA increases every year. There were some merit increases in 2023, but not all employees received merit increases. Per Mike Slater, decision would need to be made as to whether this is something that would be added to the agenda and that would need to be decided prior to the next board meeting. Mike also stated that it would require a 2/3 vote to be added to this agenda. Director Valdez motioned to add the item to the agenda, Director Peranick seconded. Director Dutcher commented that his concern relates to the District adding last-minute items to the agenda that are not of an emergency nature. Mike Slater stated that the item can be just a discussion item at this meeting and then can be put on the agenda for the next meeting. Vote was cast, with Directors Valdez, Peranick and Rodriguez voting in favor to add the item to this agenda, and Directors Dutcher & Silva voting against adding the item to the agenda. At Mike’s suggestion, Jason will introduce the item to the Board as a discussion item and it will be brought back as an agenda item for the next meeting.

CONSENT CALENDAR:

3.1 Minutes of the regular meeting of July 1: Director Silva noted that the agenda reads July 8 and not July 1 as the date of the meeting. JoAnn will make the correction on the agenda. Director Silva stated that she needs more time and noted that there had been a vote at the last meeting that the board be given the minutes within 5 business days after the meeting, and Director Dutcher reiterated. Director Dutcher then motioned to accept the July 1 minutes, Director Silva seconded. Vote was cast, with Directors Dutcher, Silva, Rodriguez & Peranick voting in favor to accept the July 1 minutes. Director Valdez abstained from voting due to not having been present at the July 1 meeting. Minutes of the July 22 Special Meeting & Bills Payable: Discussion ensued regarding general questions on some of the Bills Payable items. Director Dutcher motioned to accept the bills payable and the July 22 minutes as presented, Director Peranick seconded. Vote was cast, Directors Dutcher, Peranick, Rodriguez and Valdez voting in favor for the July 22 Special Meeting minutes. Director Silva abstained from voting on the July 22 Special Meeting minutes due to not having been present at that meeting. Bills Payable were unanimously accepted by all 5 Board members. Director Dutcher commented that he would like to see the District’s Projected Revenue included in the data with the actual Monthly Revenue.

PUBLIC ADDRESS: NONE

PUBLIC HEARINGS: NONE

NEW BUSINESS: NONE

DEFERRED BUSINESS: NONE

CORRESPONDENCE: NONE

BOARD AND STAFF REPORTS:

9.1 Manager’s Report:

9.1.1 2025-2026 Proposed Budget
Director Dutcher stated the Projected Revenue was not included with the budget, JoAnn stated that the total Projected Revenue was provided to the Board at the last meeting but wasn’t broken down into Commercial & Residential numbers. The Board requested that it be put on the next agenda, and JoAnn stated that it will be put on the next agenda. General discussion ensued regarding the budget and whether the District’s revenue for fiscal year 06/30/2026 will be adequate enough to cover the budget. The Board requested that the most recent Rate Study be sent to them via email. Mike Slater stated that it is probably about time for the District to consider another Rate Study. Director Dutcher stated that “most budgets” include Capital Improvements items. Director Dutcher asked questions regarding the District’s bank accounts and JoAnn provided feedback. Director Peranick questioned Mike Slater regarding the District’s reserves, and Mike stated that Auditors can advise and make recommendations regarding those funds. Jason suggested putting out an RFP for a local Accountant to assist. Mike stated that the District could hire an independent Accountant to assist the staff in setting up processes and procedures. Director Peranick inquired regarding the time frame on a Rate Study, and Mike replied that

it could take up to 6 months to get the study completed and comply with the Prop 218 requirements. Jason will reach out to Bartle Wells, who completed the District's last Rate Study, since they already have the District's historical data on file. Per Mike, the Rate Studies are typically a 5-year plan for rate increases. Director Dutcher stated that the Budget appears to be underfunded based upon the revenue numbers that he has seen, and states that he's leaning towards sticking to last year's numbers until they receive Projected Revenue numbers. Director Silva motioned that they postpone approval of the 2025-2026 Budget and continue with the 2024-2025 Budget numbers so that the District's bills can be paid. Director Dutcher seconded the motion. Vote was cast with Directors Silva, Dutcher, Rodriguez, Peranick and Valdez voting to shelve this discussion until the next meeting.

9.1.2 Update on metering for the schools: Jason informed that Pinedale School has new meters & doesn't need replacements. Kratt Elementary has 2 meters that need to be replaced, and Nelson Elementary has 2 meters that need to be replaced. This will be at the District's cost, since this is not new construction. If purchased from Neptune, the cost would be approximately \$44,700. If purchased from Badger, the cost would be approximately \$94,800. (This is just for the meters & doesn't include the cost of installation of said meters). The Neptune meters would be compatible with the system that the District uses. Jason states that, based upon the current meter readings from Pinedale School from 7/15 to 8/5, they pumped 13,900 gallons from one meter (the domestic meter) and 857,806 gallons from the other meter (the landscape meter)—an estimated cost of around \$1,000 in revenue. From 7/11 through 7/30, Kratt School pumped over 650,000 gallons on their landscape meter, which would be an estimated revenue of just under \$800. Jason suggested that the work be done during Winter break due to the location of the meters (in the sidewalk where the buses load & unload). Director Peranick will reach out to his contacts to see if there is a lower cost that can be had, and he will have someone reach out to Jason. The Board directed Jason to give the schools notice that the District will be switching them to metered accounts in 60 days. Since Pinedale School's meters are working, the District can begin there with notification. We can also read the landscape meter at Kratt School. The Board directs that we give them their usage data so that they understand what their cost would be for September, in preparation. Director Dutcher motioned that the meters that the District is able to bill, begin billing based upon metered usage on October 1, with prior notification now, and letting them know that we are operating in accordance with State requirements. Mike stated that he will work with Jason to compile the letter to the schools. This would be a prevailing wage project and there will be bonds required. Harrison states that they use the Badger E-series meters & he's not familiar with the Neptune meters. Director Peranick suggested seeking input from the District Engineer. Harrison stated that he will meet with Jason. Director Dutcher motioned that the Board approve up to \$50,000 for the purchase of the meters. A vote was cast, with all 5 Directors voting in favor to approve up to \$50,000 for the meter purchase.

9.1.3 Jason informed that the District's portable compressor is in need of replacement. Because of the age of the compressor (1970's), the District is unable to find replacement parts. Currently, the District is renting a compressor when needed. General discussion ensued, with the outcome being that Director Peranick will contact someone that he knows regarding the purchase of another compressor and will get with Jason regarding his findings. In the interim, the District will continue renting a compressor as needed to complete leak repairs.

9.1.4 Jason informed that the District is losing an employee who is leaving to work for another agency. General discussion followed regarding the employee's certifications & the need to hire another employee to fill the vacancy. Jason also informed that there is a trend in the industry wherein a large number of certified Operators are retiring, and no younger people are wanting to enter the industry to work. General discussion followed regarding requirements for Water Operator certifications/training and what the District has to offer a prospective employee. Director Dutcher suggested that the District post an ad immediately to see what kinds of applications are received. The Board directed Jason to move forward with procuring a new employee. Director Dutcher suggested that Jason ensure that the COLA increase is included in the budget.

9.2 Engineer's Report:

Harrison Hughes reports that the financials are nearly completed on the Water Main Replacement Project, and that a retention request letter will be submitted by the District before the DWR will pay the retention. We are hopeful that this process will be completed prior to the next meeting.

Regarding the Cross Connection Control Plan, the State has not had a chance to review it due to the volume being received. Harrison will continue to follow up with the State.

9.3 Attorney's Report: Report to be given during Closed Session.

9.4 **Board President’s Report:**

Director Rodriguez informed regarding a former employee of the District who was the victim of a homicide over the weekend. This former employee also resided next door to the District’s yard. Discussion followed regarding the matter, and the Board directed that some type of condolences be sent to the family. Jason & JoAnn will take care of it.

9.5 **Director’s Report(s):** NONE

10. **ADJOURNMENT:** The meeting was adjourned to closed session at 6:50 p.m.

APPROVED BY:	RESPECTFULLY SUBMITTED:
 DAVID RODRIGUEZ BOARD PRESIDENT	 JOANN VIERRA DISTRICT SECRETARY