MEINERS OAKS WATER DISTRICT

BOARD OF DIRECTORS REGULAR MEETING MINUTES

Meeting Location: 202 W. El Roblar Drive, Ojai, CA 93023

JULY 21, 2026 at 6:00 PM

1. **CALL TO ORDER**

   The Board President, Mike Etchart, called the meeting to order at 6:00 PM. The meeting was also available via teleconference.

2. **ROLL CALL**

   Present: Board President, Mike Etchart; Board Directors: James Kentosh, Joe Pangea, and Christine Cooper. Staff Present: General Manager, Justin Martinez, Board Secretary, Summer Ward. Attorney Present: Stuart Nielson and Jeanne Zolezzi (closed session only).

   Absent: Director Oakland.

3. **APPROVAL OF MINUTES**

   Approval of the June 16, 2026, Regular Board Meeting & Prop 218 Public Hearing and the June 25, 2026 Special Board Meeting minutes.

   Director Kentosh made a motion to approve the minutes from the June 16, 2026, and June 25, 2026, meetings. Director Pangea seconded the motion.

   No Public Comment.

   Kentosh/Pangea

   (4) Ayes – M/S/C

   (1) Absent - Oakland

4. **FINANCIAL MATTERS**

   Approval of Payroll and Payables from June 16, 2026, to July 15, 2026, in the amount of:

Payables:	$ 295,686.23
Payroll:	$ 58,638.89
Total:	$ 354,325.12

Director Pangea made a motion to approve Payroll and Payables for June 16, 2026, through July 15, 2026. Director Cooper seconded the motion.

Director Kentosh requested clarification on why the payables are so high this month. Ms. Ward stated that July is the highest-payable month each year due to annual bills including liability insurance, workers' compensation, and UVRGA pumping fees.

Director Kentosh complimented the annual budget review, analysis, and report included in the Financials section. Ms. Ward thanked Director Kentosh for the feedback, and she was grateful that her work resulted in a helpful document. Director Kentosh recommended the report be included on the District website.

<u>No Public Comment.</u>

Pangea/Cooper

(4) Ayes – M/S/C

(1) Absent - Oakland

5. **<u>PUBLIC COMMENT ON NON-AGENDA ITEMS</u>**

No comments.

The Board went into CLOSED SESSION at 6:04 PM.

6. **<u>CLOSED SESSION:</u> The Board of Directors held a closed session to discuss litigation, pursuant to the attorney/client privilege, as authorized by Government Code Sections §54957, 54956.8, 54956.9, and 54957.**

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
  (Paragraph (1) of subdivision (d) of Gov. Code §54956.9)
  Name of case: *Santa Barbara Channelkeeper v State Water Resources Control Board, et al.,*
  Los Angeles County Superior Court Case No. 19STCP01176

The Board ended CLOSED SESSION at 6:29 PM

Attorney Nielson reported that the Board discussed pending litigation, and there are no actions to report.

7. **BOARD DISCUSSION/ACTIONS**

a) **Approve the Oilfield Electric proposal for Tico electrical pole replacement and switch relocation in a not-to-exceed amount of $15,000.**

Mr. Martinez reviewed that MOWD operates a fire booster on Tico Rd. The site is equipped with new electrical controls that enable the District to connect a back-up generator during power outages, ensuring the booster station continues to operate during emergencies. Due to a recent change in neighboring land use, access to the site with a portable generator has become significantly more difficult. This creates a potential risk during emergency events by delaying generator deployment and limiting access for emergency response vehicles. The existing utility pole supporting the electrical meter at the site has deteriorated significantly and requires replacement to maintain a safe and reliable electrical service.

The FY26/27 Capital Improvement budget allocated $15,000 for the Tico Road Electrical Relocation and Power Pole Replacement Project. Oilfield Electric provided a lump-sum quote of $13,703.61, $1,296.39 below the budget.

Director Cooper made a motion to approve the Oilfield Electric proposal for the Tico Road electrical pole replacement project for an amount not to exceed $15,000. Director Pangea seconded the motion.

<u>No Public Comment.</u>

Cooper/Pangea

(4) Ayes – M/S/C
(1) Absent - Oakland

b) **Authorize the General Manager to execute the Cascade Well & Pump proposal to redevelop Well 1 and complete necessary repairs and replacement of damaged downhole equipment in a not-to-exceed amount of $125,000, within the approved budget of $150,000.**

Mr. Martinez reviewed that following months of reduced production from Well 1, the District engaged Cascade Well and Pump in November 2025 to remove the pump assembly and conduct a comprehensive assessment of the well’s condition. The inspection found the stainless steel well casing to be in excellent condition; however, mineral deposits and sediment had accumulated in the well screen louvers, restricting flow and reducing production capacity. In addition, due to electrolysis, a section of low-carbon steel column pipe installed as part of the downhole assembly exhibited severe corrosion. The corrosion caused the pipe to split and develop a hole, resulting in damage to the pump and motor.

Based on the findings, Mr. Martinez recommends Well 1 undergo redevelopment, including pretreatment of the well, high-pressure jetting and pumping, downhole video inspection, well disinfection, replacement of the damaged pump, motor, and associated components, and replacement of the low-carbon steel column pipe with appropriate materials.

The adopted FY26/27 Capital Improvement budget allocated $150,000 for Well 1 and Well 2 rehabilitation. The Cascade Well & Pump quote for the Well 1 rehabilitation is $114,336, within the approved budget. Mr. Martinez noted that Curtis Hopkins of Hopkins Groundwater reviewed the 2025 Well 1 video and said it looks good and there is no need to engage his services for the rehabilitation project.

Director Kentosh made a motion to approve the Cascade Well & Pump Well 1 Rehabilitation for an amount not to exceed $125,000. Director Pangea seconded the motion.

No Public Comment.

Kentosh/Pangea
(4) Ayes – M/S/C
(1) Absent - Oakland

c) **Approve Resolution 20260721-1: Authorizing the General Manager to apply for, accept, and execute a U.S. Bureau of Reclamation WaterSMART Drought Response Program Grant for the S.H.I.E.L.D. Project.**

Ms. Ward reported that she is working on preparing a U.S. Bureau of Reclamation WaterSMART Drought Response Program grant application for the Storage Hub for Infrastructure Expansion and Drought-Resilience (SHIELD) Project. The project would replace Tank 2, the District's existing 500,000-gallon galvanized bolted-steel storage tank, with a new 750,000-gallon stainless-steel tank at the District-owned site. Tank 2 was constructed in 2003 and now exhibits significant corrosion. The tank represents a substantial portion of the District's storage, and continued deterioration increases risks to supply reliability, emergency reserves, drought-response capacity, and operational redundancy. The District removed an 80,000-gallon tank from service in 2021 due to corrosion and structural failure, reducing total capacity from 1.83 million gallons to 1.75 million gallons. The replacement tank would increase the District's total storage capacity from 1.75 to 2.00 million gallons, a net increase of 250,000 gallons. The added storage would improve resilience to drought, peak demand, emergency outages, and fire flow without expanding the service area. The District's goal has been to plan the tank replacement with the end of useful life of the existing Tank 2. The estimated project cost is

$3 million. The District's Capital Improvement budget allocated $30,000 in FY26/27 and up to $2.5 million in loan/grant funding in FY 27/28. The District intends to request $1.25 million in federal cost-share funding and provide approximately $1.75 million in non-federal cost-share.

Director Cooper made a motion to approve Resolution 20260721-1: Authorizing the General Manager to apply for, accept, and execute the Bureau of Reclamation WaterSMART Drought Response Program Grant for the Storage Hub for Infrastructure Expansion and Drought-Resilience (SHIELD) Project. Director Kentosh seconded the motion.

<u>No Public Comment.</u>

Cooper/Kentosh

Roll Call Vote:
(4) Ayes – M/S/C
(1) Absent - Oakland

d) **Approve Resolution 20260721-2: Adopting the Reserve Fund Policy.**

Ms. Ward reviewed that the District's current reserve fund policy was adopted in February 2008. The policy established reserve fund categories and five-year minimum reserve levels for operating, capital replacement and improvement, and emergency reserves. Since that time, the District's financial planning needs, capital replacement priorities, emergency preparedness considerations, and rate-setting assumptions have changed.

Ms. Ward presented Resolution 20260721-2 Reserve Fund Policy with recommended updates based on the 2026 Water Rate Study prepared by Robert D. Niehaus, Inc, with updated reserve targets through 2031. Additionally, Ms. Ward noted that Attorney Nielson has reviewed the proposed policy update. The revised policy is intended to preserve the District's liquidity, reduce the need for short-term borrowing, support rate stability, fund timely infrastructure repair and replacement, and protect customers from avoidable service disruptions.

Director Pangea made a motion to approve Resolution 20260721-2: Reserve Fund Policy. Director Cooper seconded the motion.

Director Kentosh requested clarification on what the reserve fund level was going from and to under these policies. Ms. Ward responded that the current 2008 reserve fund policy sets the emergency reserves threshold at $600,000; the new target is to maintain two months of operating expenses for operating reserve, an annual contribution of $200,000 toward the capital replacement and improvement fund, and a total emergency reserve combining the two with a target of $2.4 million by the end of FY31.

No Public Comment.

Roll Call Vote:
(4) Ayes – M/S/C
(1) Absent - Oakland

e) **Approve Resolution 20260721-3: Adopting the Purchasing Goods & Services Policy.** Ms. Ward reviewed the current Purchasing Goods & Services Policy, last reviewed and approved in 2023. The District's purchasing policy establishes procedures and approval requirements for acquiring goods, services, equipment, construction, repairs, maintenance, and related District needs. These periodic updates help ensure the policy remains clear, practical, legally compliant, and consistent with current operations. Attorney Nielson has reviewed the proposed revisions. The updates broaden the policy to address professional services, cooperative purchasing, grant-funded procurements, public works, emergency purchases, contract amendments, and recordkeeping. The policy also requires the District to follow the most restrictive applicable requirement when District policy, law, Board action, grant agreements, or funding agency rules differ. The revised policy authorizes the General Manager to approve budgeted purchases, contracts, and task orders up to $25,000 per transaction and to delegate purchasing authority up to $10,000 per transaction unless otherwise authorized by the Board. The revision prohibits splitting purchases or contract actions to avoid approval limits, bidding requirements, or Board authorization. Additionally, procurement thresholds were updated to require fair and reasonable price documentation for purchases of $10,000 or less; at least three written quotes, when practicable, for purchases between $10,000 and $25,000; and formal competitive procurement for purchases exceeding $25,000, unless an authorized exception applies. The updated policy strengthens ethics, conflict-of-interest, vendor relations, amendment, change order, task order, recordkeeping, audit file requirements, and requirements for public works, construction, grant-funded procurements, and emergency purchases.

Director Kentosh made a motion to approve Resolution 20260721-3: Adopting the Purchasing Goods & Services Policy. Director Cooper seconded the motion.

Director Kentosh asked if a Committee had reviewed this policy update. Ms. Ward stated no. Historically, this policy has gone straight to the full Board; however, she is working on drafting a comprehensive Administrative Policy & Procedure manual that will be reviewed by the Executive Committee and the full Board moving forward. This policy will be included in that Administrative manual.

No Public Comment.

Roll Call Vote:
(4) Ayes – M/S/C
(1) Absent - Oakland

8. **GENERAL MANAGER'S DISTRICT OPERATIONS REPORT**

Mr. Martinez reported that the Casitas Lake level is at 97.9% as of July 9, 2026. Wells 2, 4a & 7 are running. Mr. Martinez provided an update on the Riverview Trailhead culvert repair. A meeting was held on-site on June 29, 2026. He noted that Ms. Ward submitted the Smart Water Grant for funding of the AMI project. Zone 2 HydroTank had a pump failure; he is exploring a VFD replacement. Progress is being made regarding Chlorine Safety Program compliance, with several in-field corrective actions completed, including signage, labeling lines, wearable detectors, additional SCBA equipment, and several policies and procedures. Annual staff performance evaluations are in progress. Mr. Martinez reviewed the annual consumption graphs and tables. He noted FY25/26 total consumption of 620.97 AF was lower than FY24/25 657.12 AF, but up from FY23/24 518.70 AF, keeping the average annual consumption around 600 AF.

No Public Comment.

9. **BOARD SECRETARY'S ADMINISTRATIVE REPORT**

Ms. Ward provided a summary of key administrative, financial, customer service, Board governance, and project activities completed or underway in July 2026. Major items included completion of the required EPA Risk & Resilience and Emergency Response Plan certifications, SWRCB quarterly drought report filings, continued cybersecurity and records management improvements, grant application work with the U.S. Bureau of Reclamation, implementation of newly adopted water rates, progress on the FY25/26 financial audit, election-related noticing and nomination period coordination, and continued development of a centralized District document repository. Ms. Ward noted that AB1637 requires migrating the MOWD web domain name and email extensions from the current .com to the official .ca.gov. Ms. Ward stated she secured the meinersoakswaterdistrict.ca.gov domain in 2023. The District will begin the migration in September, ahead of the January 1, 2029 deadline. The legislation aims to enhance cybersecurity and help the public readily verify official government resources. The U.S. Bureau of Reclamation WaterSMART Small-Scale Efficiency AMI Smart Meter grant application was submitted on June 1, 2026, pending a decision on the award. The U.S. Bureau of Reclamation WaterSMART Drought Response SHIELD Project grant application is underway; a technical coordination meeting was held on June 18, and a pre-application meeting with the local So Cal Bureau of Reclamation environmental team is scheduled for July 21. The application is due July 28, 2026. The draft MOWD Annex for the Ventura County Multi-Jurisdictional Hazard Mitigation Plan was received on July 13 and is due by July 30, with additional work scheduled for August. The final draft of the annex will be brought to the Board of Directors for approval. Ms. Ward stated that the Director Compensation Ordinance allows for reimbursement for certain activities other than meeting attendance, mandatory ethics, harassment, and the new financial and fiscal responsibility training. Ms. Ward requested that, if a Director completes training on a platform other than the District's Target Solutions, please forward the certificate of completion so that a stipend payment can be issued. Ms. Ward reminded the group that the new water rates and updated bill template will be reflected on the August 30 billing. Ms. Ward also reminded those wishing to run for re-election to the Board that the nomination period is from July 13 – August 7.

<u>No Public Comment.</u>

10. **BOARD COMMITTEE REPORTS**
   - Upper Ventura River Groundwater Agency: 7/9 canceled
   - Executive & Personnel Committee: scheduled for 8/6 & 8/11
   - Allocations, New Meters & Expansion of Services Committee: scheduled for 7/30
   - Budget/Rate Committee: No report.
   - Grants: No report.
   - Emergency Management Committee: No Report.
   - Treatment Plant Design Ad Hoc Committee: No report.

11. **OLD BUSINESS**
   - State Water: No report.
   - Matilija Dam Removal Update: No report.

12. **DIRECTOR ANNOUNCEMENTS/REPORTS**
   - Director Kentosh: No report.
   - Director Oakland: Absent.
   - Director Pangea: No report.
   - Director Cooper: No report.
   - Director Etchart: No report.

13. **ADJOURNMENT**

The next meeting will be held on August 18, 2026, at 6:00 PM, at the District Office. Since there was no further business to conduct, Board President Mike Etchart adjourned the meeting at 7:26 PM.

Board Secretary **Board President**