

RANCHO PAUMA MUTUAL WATER COMPANY ("RPMWC")
MINUTES OF THE
ORGANIZATIONAL & REGULAR MEETING OF THE BOARD OF DIRECTORS
HELD February 23, 2026

Directors Present: Chuck Bandy, Laurie Kariya, Bruce Knox, Linda Shoaff and Scott Shinner

Directors Absent: None

Also Present: Representative of the Pauma Band of Mission Indians Ruben Bentancourt; Paul Kaymark and Tyler Cook of Nigro & Nigro; Dudek Consultant Jeff Pape; Administrative Manager Amber Adams and Office and Compliance Manager Kim Alvarado

1. **Call to Order:** Meeting was called to order at 2:59 p.m. by President Bandy. This meeting was held in person and via Zoom.
2. **Shareholder Comments:** None.
3. **Election of Officers:** Bandy opened the discussion for nominations of officers for 2026. The Board approved the officers as follows; Chuck Bandy to continue as President, Laurie Kariya to continue as Vice President, Bruce Knox as Treasurer, Linda Shoaff to continue as Secretary and Scott Shinner to continue as Director, the motions were made, seconded and unanimously approved.
4. **Approval of Previous Minutes**
 - a. **Minutes of January 26, 2026 - Regular Meeting:** Upon a motion by Knox, seconded by Kariya, the minutes of the Regular Meeting held on January 26, 2026, was approved as presented by unanimous vote.
5. **Draft Audit Report for Fiscal Year 2024 – 2025:**
 - a. **The Board will consider approval of the draft audit report as presented by Paul Kaymark of Nigro and Nigro:** Kaymark presented the 2024 – 2025 draft audit report. Upon a motion by Shinner, seconded by Kariya and unanimous vote, the 2024 – 2025 draft audit report was approved as presented.
6. **Administrative Manager’s Report:** Adams reported that on February 4th a contractor working for the Pauma Valley Community Services District (“PVCSD”) inadvertently hit the PVCSD water service line that is off of the Yuima Municipal Water District meter. Adams noted the water service was shut off at 7:20 a.m. leaving both the office and utility shop area without water. Adams stated that the PVCSD staff notified her of the water shut off at 8:30 a.m. and provided further updates as initially requested by Adams until the water was restored around 1:00 p.m. Adams thanked Shinner for allowing RPMWC staff to utilize the Pauma Valley Country Club (“PVCC”) restroom facilities throughout the 5 ½ hour water outage. Adams noted this kind gesture allowed staff to continue working for the entire shift.
 - a. **Operations Report:** Adams was pleased to note that all wells are operational and in service. Adams noted that a recent service call was placed for one of the generators for a coolant leak and upon inspection it was determined that the radiator needed to be re-cored. Adams reported that the re-cored radiator is being installed today and during the time the generator was out of service a rental generator was in place in the event of a planned or unplanned power shut off to ensure uninterrupted operations. Adams noted the upcoming project involving the valve replacements at four intersections along Luiseno Circle Drive. Adams stated that a preliminary notification was provided to all affected property owners which outlined the following information: what to expect, how to prepare and what to do after the water is restored. Adams noted that once the project work date is determined RPMWC will provide the affected property owners with the date and time the water service will be shut off. Kariya questioned if there will be any traffic delays or concerns. Adams stated no traffic concerns. Knox questioned if the water shut down will impact both upper and lower Luiseno. Adams stated yes. Adams lastly noted the contractor will begin the preliminary/staging work

tomorrow. Bandy asked Adams to provide an update on the recent emergency repairs. Adams provided the Board with an overview noting last week there were several repairs that took place; 2 main line repairs located on lower Indian Bend and Womsi Road, 3 service lateral repairs located on Womsi Road, Wiskon Way West and Pauma Valley Drive. Adams noted that the Utility staff, Draves Pipeline, Pape and Alvarado put in long hours to ensure the water was restored to the affected properties as quickly as possible. Adams also noted that Draves Pipeline is currently completing a water line repair on Kica Road.

Bentancourt arrived at 3:15 p.m.

Adams provided an update on the repairs noting the lower Indian Bend repair was completed within a few hours by Utility staff, the Womsi Road main water line was repaired by Draves Pipeline with the assistance of Utility staff, Draves Pipeline assisted with exposing the emergency service line repair on Womsi Road. Adams noting the service line repair will take place later this week with the Utility staff completing the repair. Adams further noted the Wiskon Way West leak was repaired by Draves Pipeline with the repair taking a few hours to complete. Adams also noted the additional emergency service line repair on Pauma Valley Drive was completed by Utility staff. Adams lastly noted there is a small leak on Indian Bend that will be addressed as soon as possible. Adams thanked the entire staff for their hard work. Knox questioned the status of the airport repair. Adams noted she has obtained 3 asphalt bids and 2 bids to complete the water line replacement. After further Board discussion Knox motioned to move forward with the water line replacement near the airport hangers and the asphalt repair within the repaired area with a budget of \$80,000, motion was seconded by Kariya and unanimous vote, the line replacement was approved as presented. Adams provided the Board with an update to the Small Reservoir Tank noting Draves Pipeline has completed the demolition of the old tank connection and has completed the new connection. Adams noted the new connection will allow the Utility staff to isolate one or both of the reservoir tanks if needed for future needs. Adams further noted that Superior Tank will be completing the tank disinfection soon and upon completion of the disinfection, Utility staff will conduct the water quality samples prior to placing the reservoir tank back into service.

b. Account Totals: Adams noted the January Revenue of \$78,821 with 20,292 units of water sold. Adams noted the total units of water sold year to date is roughly 68,000 less units of water sold from the same time period last fiscal year. Adams highlighted the impact that rain has on water sales.

c. Water Report: Adams stated the slippage report reflects the year-to-date total units lost percentage of 1.52%. Adams noted a portion of the slippage was attributed to the flushing of wells for water quality testing at multiple wells and the non-potable water line break near the Pauma Valley Airport.

7. Financials:

a. B/S, R&E, 2-year Comparison as of January 31, 2026: Adams presented the financials for January 31, 2026, noting a cash total of \$1,851,842. Adams stated the Accounts Receivable of \$83,437, referencing line item 150 – Due from PVCSD as paid in full. Adams noted the Accounts payable of \$11,102, stating invoices are paid promptly upon receipt. Adams noted the Revenue and Expense Report reflected water sales in January of \$29,146, with the early January rain impacting sales. Adams noted line item 5001.5 – Yuima Fixed Charges Pass - Through charges decreased in January to \$5,346 from \$7,033. Bandy noted that Pape and Adams attended a meeting at Yuima Municipal Water District held in January to obtain the information regarding the 2026 Fixed Charge Pass- Throughs. The San Diego County Water Authority General Manager was also present to explain the methodology used to determine the Fixed Charges Pass -Throughs. Adams referenced line item 605 – Water Tests & Analysis noting Title 22 testing was completed on 3 of the potable drinking water wells, line item 627 – Dues & Subscriptions, noting the recent renewal of the Cal Mutuals annual membership. Knox questioned the total pay periods in December 2025. Adams noted there were 3 pay periods. Adams presented the 2 -Year Comparison for review. Upon a motion by Knox, seconded by Kariya and unanimous vote, the financial statements for January 31, 2026, were approved as presented.

8. **RPMWC and PVCSD Update:** Bandy reported that he hopes to have a signed lease agreement soon.
9. **Upper San Luis Rey Groundwater Management Authority Update (SGMA Update):** Bandy reported that at the upcoming March meeting the announcement of a new administrator for the JPA will be made. Bandy made note that the groundwater monitoring for both winter and spring is underway to assist with the annual reporting update.
10. **Closed Session**
 - a. **Pursuant to California Corporations Code Section 14305(b)(2)-Potential Litigation, 1 case:** The Board entered into Closed Session at 3:37 pm.
11. **Open Session**
 - a. **Reportable Actions:** The Board reconvened to Open Session at 3:43 p.m. No reportable action.
12. **Adjournment**
 - a. **Regular Meeting Date at 2:00 pm – Monday, March 16, 2026:** With the next meeting date set and no further business to discuss, Bandy motioned to adjourn the meeting and upon unanimous vote the meeting adjourned at 3:44 p.m.

Kim Alvarado

Kim Alvarado, Recording Secretary