



MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
OF THE PICO WATER DISTRICT

A special meeting of the Board of Directors of the Pico Water District was held at the Pico Park Community Center, 9528 Beverly Boulevard, Pico Rivera, California, on Thursday, January 18, 2024 at 5:30 p.m.

The District's General Manager, Mr. Joe D. Basulto proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were Director David Angelo, Director David Gonzales, Director Pete Ramirez, Vice President Victor Caballero, President Raymond Rodriguez, and Mr. Reid Miller, Legal Counsel for the District.

President Raymond Rodriguez led everyone in the Pledge of Allegiance and General Manager, Joe D. Basulto gave the invocation.

President Raymond Rodriguez proceeded to the adoption of the Agenda. Vice President Victor Caballero made the motion to adopt and Director David Gonzales seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5 – 0.

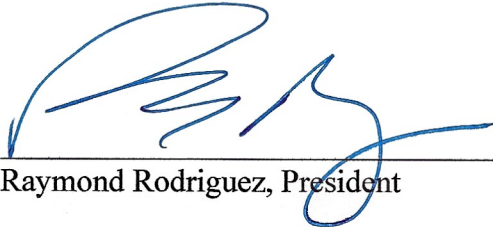
President Raymond Rodriguez proceeded to Presentation of Proposed Water Rate Increases by the District's General Manager. The General Manager proceeded to give the presentation, introduced himself as well as the Director of Operations, Matthew Tryon. He also gave a brief summary about the District and when it was founded in 1926. He stated the District has five active wells and the District use one-hundred percent ground water to supply its customers. He continued to the Rate Review Process, the review of expenses and revenues, analysis of costs and the design of a fair and equitable rate structure. The General Manager discussed the reasons that necessitate raising rates, as well as the costs to complete construction and maintenance of PFAS/ PFAO treatment facilities. The rate study was done thoroughly and it considered the inflation impact as well as capital improvement projects. The changes to the rates would be to the volumetric rates which cover the variable expenses the District incurs, such as the treatment and distribution of water. The fixed monthly meter charges and pass-through charges would also be changes to the rates. The General Manager briefly compared the rate increase to nearby water districts. He also announced the Public Hearing on the proposed increases would be held on February 15, 2024 at 5:30 pm.

President Raymond Rodriguez proceeded to the next item on the Agenda, Public Comments. Mr. Mario in the audience that commented on how the District should care about its residents and the impact the change in rates will have on them. He stated the District should not increase water rates and believes that the District does not have the residents' best interest at heart. The General Manager responded to Mario's concerns about the rate changes and rate payers. He

also stated the rate change is to allow the District to grow and move forward as the entity that has been providing water to the community for almost 100 years. It will allow for the District to also improve its infrastructure, including pipes and the source of water supply. Legal Counsel, Reid Miller, reminded the customer that no final decision was going to be made today, and the next public hearing, on February 15, 2024, is where more customers can protest the rate increase. Customers are asked to put their protest in writing and can mail or drop off letters to the District's office prior to the hearing or on the day of the hearing. The next comment was made by Dwayne Comb, small business owner in Pico Rivera, who asked how the rate change affects small business such as the coin laundromat he runs and how infrastructure is now a consumer cost as of the last five years. Mr. Matthew Tryon, Director of Operations, responded to Mr. Comb stating that the rate study is done in five-year increments and is how the District complies with the requirements under Proposition 218. That was the end of public comments.

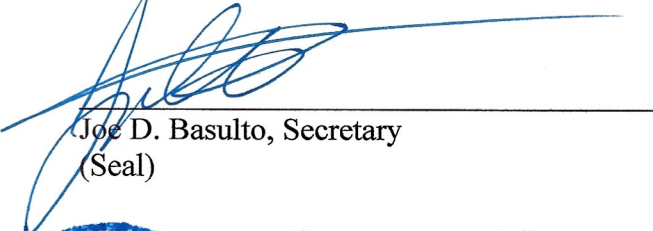
President Raymond Rodriguez proceeded to the next item on the Agenda, Board Member Comments. Vice President Victor Caballero commented on one of the main factors leading to the rate changes is the PFAS/ PFAO treatment facilities and the costs to install them. He also commented on the rate change the City of Pico Rivera had a few years ago and their big increase to rates. He briefly addressed the concerns the customers posed during their comments. President Raymond Rodriguez also made a comment addressing the concerns both customers had. He also stated the District understands their concerns, taking into account the comments and questions said. President Raymond Rodriguez thanked everyone for their comments and for attending the meeting. Customer, Mario, and Vice President Victor Caballero both had a brief discussion about the responses given for the rate increase.

There being no further business to come before the Board, the Board meeting adjourned at 6:49 p.m. Next Regular Board Meeting to be held on February 7, 2024 at 5:30 pm.



Raymond Rodriguez, President

Attest:



Joe D. Basulto, Secretary
(Seal)

