



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

A regular meeting of the Board of Directors of the Pico Water District was held in the District's Boardroom located at 4843 South Church Street, Pico Rivera, California, on Wednesday, July 17, 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 was Director David Angelo, Director David Gonzales, Director Pete Ramirez, Vice President Victor Caballero, and Mr. Jim Ciampa, Legal Counsel for the District. President Raymond Rodriguez attended the board meeting via Zoom.

Director Pete Ramirez led everyone in the Pledge of Allegiance and Director David Angelo gave the invocation.

Vice President Victor Caballero proceeded to the next item on the Agenda, Public Comments. Chris Madgosko, who is the probate administrator for the property at 4757 Walnut Ave., Pico Rivera, CA 90660, made a comment regarding his property. Mr. Madgosko thanked the General Manager, Joe Basulto, and his office staff for the way they handled squatters who attempted to apply for service at the residence with forged documents.

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

Vice President Victor Caballero proceeded to the next item on the Agenda, approval of Consent Calendar, consisting of approval of the July 03, 2024 Regular Board Meeting Minutes, approval of accounts now due and payable and bills paid by the General Manager in May 2024, and approval of the May 2024 Financial Statement. The General Manager, reported and reviewed on the financial statement for May 2024. Director Pete Ramirez made the motion to adopt the Consent Calendar as presented and Director David Angelo seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5–0.

Vice President Victor Caballero reported there were no Action/ Discussion Items.

Vice President Victor Caballero proceeded to the next item on the Agenda, General Manager's Report. The General Manager reported on the billing for the coming month of August. The field staff started reading meters and are now working on the re-reads for abnormal usage.

Billing is projected to be done by the end of July. Management has concluded the interviews for the field staff hire and two positions in the field staff will soon be filled. There was a meeting with the engineer from the Division of Drinking Water (DDW) and the Company's engineer regarding the operating permit for Well #11. The information on the well's start-up procedure needs to be changed in some areas. Once the wells become operational and the samples of water produced are clean, then DDW will issue the permit for Well #11. Mr. Basulto stated that soon everything will be submitted and the well will be operational with the treatment vessels. With respect to the PFAS litigation settlement, the settlement claim was submitted for the Phase 1 settlement. The special needs claim was submitted to SL Environmental for their review and the deadline for that filing is August 25th. The Special Needs Fund claim will seek recovery for costs the District has incurred in responding to the presence of PFAS, including from sampling, verification, construction, engineering and project management costs. Mr. Basulto developed a ledger for the costs which came out to \$2.1 million. Lastly, Mr. Basulto, reported that he will be out of the office for a few days next week.

Vice President Victor Caballero proceeded to the next item on the Agenda, Legal Counsel Report. Legal Counsel, Jim Ciampa, reported that there are two other settlements that have been reached, which total to about 1 billion dollars. One is TYCO, which was about \$750 million. The second is BASF settled for about \$312 million dollars. There are additional claims that will be filed by the District in those 2 cases, which is additional money that will be coming in. For the Dupont Settlement, which is the smaller of the two current settlement, that money has already been deposited by Dupont. Now it is just figuring out who gets how much. The 3M settlement payment structure is their first payment is going be about 70% and the rest of it trickles out until 2030. Once the claims administrator gets the claims figured out, hopefully the District get the initial money by the end of the year. There will be more money from the other settlements as well. At the last Board meeting, Mr. Ciampa reported on the 10 million dollar bond, which the legislature did pass that. That will be designated as Proposition 4 on the November ballot.

Vice President Victor Caballero proceeded to the next item on the Agenda, Informational Items. The General Manager reported on the water level report and state reservoir conditions for the month of June 2024. The Director of Operations, Matt Tryon, reported on the monthly activity report. There was one main leak and a lot of service leaks. There was an issue at Well #8, that was down for a few days, with the computer module that had to be replaced. Well #8 is back online again. The lead and copper inspections are continuing to be done, with 189 being completed in June. General Manager Basulto briefly reviewed the monthly groundwater well production for June 2024. Lastly, Mr. Basulto reported the District's Annual Picnic, an employee funded event, will take place on July 27.

Vice President Victor Caballero proceeded to the next item on the Agenda, Future Agenda Items. There were none at this time.

Vice President Victor Caballero proceeded to the next item on the Agenda, Board Member Comments. Director David Angelo asked what could be done to show appreciation to the employees to thank them for contributing to the picnic. The General Manager stated the Employee Appreciation Dinner at the end of the year is a better opportunity for the Board to show thanks for the employees.

Vice President Victor Caballero proceeded to the next item on the Agenda, Closed Session.

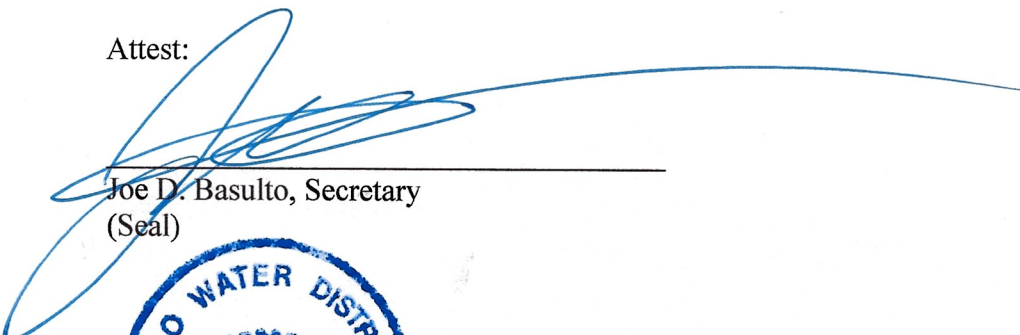
Closed session began at 6:04 p.m. Closed session ended at 6:09 p.m. Legal Counsel, Jim Ciampa reported on the closed session report. The closed session was held under 12 A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]: Pico Water District v. City of Pico Rivera, Los Angeles County Superior Court Case No. 22NWCV00967. Item 12 B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]: City of Pico Rivera v. Pico Water District, Los Angeles County Superior Court Case No. 24NWCP00165. The Board was updated on the status of both of those cases and no reportable action was taken.

There being no further business to come before the Board, the Board meeting adjourned at 6:10 p.m. Next Meeting to be held on August 7, 2024 at 5:30 pm.



Victor Caballero, Vice President

Attest:



Joe D. Basulto, Secretary
(Seal)

