



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, December 17, 2025 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, and President Raymond Rodriguez. Mr. Jim Ciampa, Legal Counsel for the District participated via Zoom.

The President Raymond Rodriguez led everyone in the Pledge of Allegiance and Director David Gonzales gave the invocation.

President Raymond Rodriguez proceeded to the next item on the Agenda, Public Comments. Carolyn Castillo, a Pico Rivera resident, thanked the District and its leadership for their hard work in addressing ongoing challenges and extended holiday wishes.

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

President Raymond Rodriguez proceeded to the next item on the Agenda, Approval of Consent Calendar, consisting of the approval of the December 9, 2025 Special Board Meeting Minutes. Director David Gonzales made the motion to approve the Consent Calendar as presented and Director David Angelo seconded the motion. The General Manager announced the motion passed by roll-call vote, 5-0.

President Raymond Rodriguez proceeded to the next item on the Agenda, Action/Discussion Items. Action Item 7A. Presentation – Regarding Pico Water District FY 2025 Audit Report by auditing firm Gruber and Lopez, Inc. The Board received a presentation from Gruber and Lopez, Inc. regarding the Pico Water District FY 2025 Audit Report, presented by Mr. Ron Lopez. The independent auditors issued an unmodified opinion, stating that the financial statements fairly present the District's financial position and results of operations for the year ended June 30, 2025 in accordance with generally accepted accounting principles. The auditors explained the audit was conducted in accordance with generally accepted auditing standards and that management is responsible for the preparation and accuracy of the financial statements, while the auditors are responsible for providing reasonable assurance that the statements are free from material misstatement. Budgetary highlights were reviewed, noting that total revenues exceeded

budget by \$863,390, primarily due to higher-than-anticipated capacity charges related to expanded community development. Total expenses were \$954,548 over budget, mainly attributable to depreciation and OPEB expenses that were not budgeted. As a result, the Change in Net Position was \$91,158 lower than budgeted. The Communication Letter was reviewed, including discussion of new accounting pronouncements such as GASB 101 on Compensated Absences and GASB 102 on Certain Risk Exposures. Significant accounting estimates discussed included depreciation of capital assets, capitalization of certain infrastructure versus routine maintenance, and pension and OPEB liabilities. The auditors reported no sensitive disclosures, no difficulties encountered during the audit, no audit adjustments, and no disagreements with management, and recommended the retention of background checks. The presentation concluded with Mr. Lopez asking if there were any questions from the Board. Director Pete Ramirez asked a brief question, which was addressed and answered by the General Manager.

President Raymond Rodriguez proceeded to the next item on the Agenda, Action/Discussion Items. Action Item 7B. Consider Board Approval of the FY 2025 Audit Report completed by the auditing firm Gruber and Lopez, Inc. President Raymond Rodriguez made the motion to approve the FY 2025 Audit Report as presented and Director David Angelo seconded the motion. The General Manager announced the motion passed by roll-call vote, 5-0.

President Raymond Rodriguez proceeded to the next item on the Agenda, Action/Discussion Items. Action Item 7C. Consider Selection of New Board Officers – President, Vice President, Board Secretary, and Board Treasurer. Director David Angelo made the motion to appoint the following District officers for 2026: President: Raymond Rodriguez; Vice President: Pete Ramirez; Secretary: Joe Basulto; and Treasurer: Tomas Rivera. Director David Gonzales seconded the motion. The General Manager announced the motion passed by roll-call vote, 5-0.

President Raymond Rodriguez proceeded to the next item on the Agenda, General Manager's Report. The General Manager reviewed the December quote: *"Change will not come if we wait for some other person, or if we wait for some other time. We are the ones we've been waiting for. We are the change that we seek."* — Barack Obama. The General Manager reported billing for the month is nearing completion. He provided an update on Well #4A, stating that General Pump is completing the chemical treatment and will begin flushing after that treatment is completed. He also reported that Well #5 is back up and running. Updates on Wells #8 and #11 indicated that PFAS treatment is ongoing at both locations. The General Manager also announced the Chamber of Commerce toy drive will take place on Saturday, December 20, and noted that some District staff will be attending the event.

President Raymond Rodriguez proceeded to the next item on the Agenda, Legal Counsel Report. Mr. Ciampa had nothing to report.

President Raymond Rodriguez proceeded to the next item on the Agenda, Informational Items. The General Manager reviewed the Water Level Report for November 2025, the State Reservoir Conditions report dated December 9, 2025, the Field Operations Monthly Activity Report for November 2025, and the Monthly Groundwater Well Production Report for November 2025.

President Raymond Rodriguez proceeded to the next item on the Agenda, Director's Request for Future Agenda Items. Director David Gonzales requested that additional information be provided from the City of Pico Rivera regarding new City project developments.

President Raymond Rodriguez proceeded to the next item on the Agenda, Board Member Comments. President Raymond Rodriguez thanked all participants for their contributions and hard work throughout the year 2025.

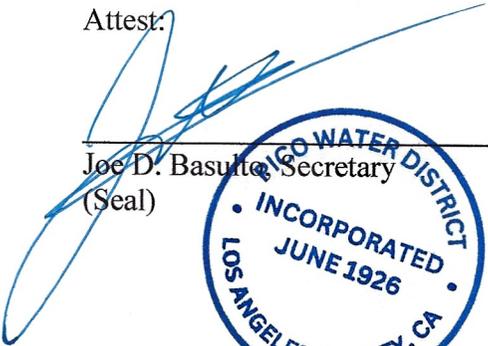
President Raymond Rodriguez proceeded to the next item on the Agenda, Closed Session. There was no closed session.

There being no further business to come before the Board, the Board meeting adjourned at 6:11 p.m. The next Regular Meeting will be held on January 07, 2026 at 5:30 p.m.



Raymond Rodriguez, President

Attest:



Joe D. Basulto, Secretary
(Seal)

