

**MINUTES of the MEETING OF THE WHITEHAWK RANCH
MUTUAL WATER COMPANY**

September 08, 2025 (approved 10-13-2025)

1. Call to Order

A regular meeting of the Board of Directors for the Whitehawk Ranch Mutual Water Company was held in the Community Center at Whitehawk Ranch, and via ZOOM teleconference on Monday, September 08, 2025, pursuant to the written Notice of Meetings. Directors Taylor Carr, Joe Smock, and Michael Brooks were present in the community center. Tom Vannoy, Ranch Manager and Ian Wright, Operations Manager, were also present. Joleen Cline, Administrative Manager, served as recording secretary. Steve Urnsbach called the meeting to order at 4:20 p.m.

2. Roll Call

See board members listed above.

3. Public Comment

none

4. Approval of Previous Minutes – July 07, 2025

After review, upon motion duly made, seconded and unanimously carried, the Board approved the minutes of the July, 07, 2025 as presented

5. New Business

a. Appoint members to fill 2 available Board Seats

Joe reported Michael Brooks ran unopposed and was installed during our annual meeting.

Joe interviewed Jeff Bishop and learned that for 20 years he has been a commercial pilot, and he is interested in serving in the community now. Joe recommended the Board appoint Jim today.

Jim Kenney lives on Boulder Drive. He is a retired president and CEO of San Jose National Bank and has served on numerous non-profit boards. He recommended Jim Kenny to serve on the Board.

After review, upon motion duly made, seconded and unanimously carried, the Board appointed Jim Kenny to serve on the Mutual Water Company Board.

After review, upon motion duly made, seconded and unanimously carried, the Board appointed Jeff Bishop to serve on the Mutual Water Company Board.

b. Appoint Officers for 2025-2026

Joe reported we need a President, Treasurer/Secretary, and Vice President

After review, upon motion duly made, seconded and unanimously carried, the Board appointed Joe Smock to serve as President.

After review, upon motion duly made, seconded and unanimously carried, the Board appointed Jim Kenney to serve as the CFO/Treasurer.

After review, upon motion duly made, seconded and unanimously carried, the Board appointed Taylor Carr to serve as Vice President/Secretary.

Tom Vannoy reported a webinar is required for board members on ethics. He will provide the information.

6. Treasurer's Report & Delinquent Accounts Review

Joleen provided copies of the financial reports for the period ending 08/31/2025 via email prior to the meeting.

The Board discussed investing reserve funds in the Money Market account in CDs.

Joe and the new treasurer will be working with Tom over the next few weeks on the proposed budget and rate schedule for 2026. The Board set a Budget Committee meeting for Wednesday, October 13 beginning at 1:00 p.m.

After review, upon motion duly made, seconded and unanimously carried, the Board approved the financial reports as presented with the changes noted above.

7. Administrative Manager's Report

Joleen reported she had a meeting this morning with a representative from AT&T suggested that all land lines be discontinued. She will put the rep in touch with Tom to discuss the specific needs of the Water Company and land line accessibility.

8. Operations Manager's Report

Ian reported the camera and the locator arrived. He is planning to do a training with staff on how to use them properly.

We have paid for the turbidimeter for the water plant. Tom reported we are planning to install the new equipment at the water treatment plant in October and November. We will have tech support on site to help troubleshoot.

Ian reported we had an issue at the water plant recently when golf went to clear their line, and quite a bit of sediment came through the system. The upper dam is where golf takes their untreated water and puts it in their two tanks. The water then flows down to where we draw and after settling, it is sent to our treatment plant. We missed turbidity readings for 9

days because Ian set the readings on hold while he was cleaning and forgot to release the hold. The employees noticed something was off, but didn't reach out to their supervisors.

Joe suggested we add this item to the standard operating procedure manual. Tom reported he realized the issue, and made the appropriate report to the State. We do not yet know if there will be a fine imposed. The state may require a notice to be sent to the members.

We are due for an inspection, and we expect we may receive that this year. Joe suggested we schedule an informal internal operational review in preparation for the State's inspection. This would be separate from the plant tours. Joe suggested we complete this item within the next 30 days.

Joe reported he was there when the golf employees were clearing their diversion. Joe reported the water pressure was so great that the bottom pipe actually moved. He also noticed erosion going around the side of the dam. A conversation needs to be scheduled with Golf about installing additional clay to shore up the area that is leaking. The Board discussed Golf needing to schedule with our staff in advance so that a knowledgeable person is on site during all maintenance activities such as those recently conducted.

Ian reported we continue to track well for water conservation based on the amount of water used since 2013. We like to see 15% decrease over 2013 levels. Tom reported we file a report on conservation every month. Joe reported we could change our use fee formula in order to encourage greater conservation. When we start talking about budget, our costs appear to have risen about 3 – 4%, and the Board has the opportunity to consider how the rate is set for next year.

Ian reported our plants are running well. We have an electrical issue with the F250 truck we are trying to solve. A recent issue with one of the EZ gos was recently corrected.

Staff have been completing some HFR work, and they will continue to do that through the Fall. Staff recently re-furbished the CSD signs and also completed some maintenance work on the pool heaters.

a. Water Company Operating Priorities

Tom encouraged the board to email him if they would like to make any changes to the operating priorities.

Ian asked if we could close the burn area after the fall burn. He reported the material that sits over the winter holds the water, and creates thick smoke.

Ed Peggs suggested we keep the burn area open through the winter so that members clear their lots whenever they can. Tom reported if the Fire Wise Committee is going to send letters to ask members to clean up their lots, we will need to keep the burn area open so they have somewhere to bring their pine waste.

b. HOA and CSD Contracts Update

See report above. (Item 8)

c. Capital Equipment Purchase Update

See report above. (Item 8)

d. 2025/2026 Key Project Update

Tom sent an email to the Board prior to the Board meeting reporting The final cost (for the new water plant monitoring equipment) with shipping and tax is \$28,835.72.
\$26,620.25 + \$266.20 Shipping and handling + \$1,949.27 Tax.

e. Prelim Budget Discussion – Schedule Special Budget Meeting

Joe reported the COLA is projected to be 2.7 - 3%. We anticipate an increase of 10% for insurance. The largest increase in cost is expected to be labor costs. Tom reported he included a 3% increase in his preliminary numbers.

We will need to look at contributions to reserve for 2026. Tom plugged in \$78,000 as a funding level to reserves to start with.

The Board scheduled a tour of the facilities for Friday, September 19 at 9 am.

9. Adjournment

After review, upon motion duly made, seconded, and unanimously carried, the meeting adjourned at 5:35 p.m.