HILMAR COUNTY WATER DISTRICT

BOARD OF DIRECTORS MEETING

July 7, 2026

Members Present – Jim Jones, Frank Hilliard, David Anderson, Tony Salvador Jr., and Jim Gerdes.

Members Absent – None.

Public in Attendance – None.

Action Items

A motion to approve the Consent Items was made by Jim Gerdes and seconded by Tony Salvador Jr. Motion passed 5-0.

A motion to approve Bills Payable: July 2026 was made by Jim Gerdes and seconded by Tony Salvador Jr. Motion passed 5-0.

A motion to approve the Conditional Can & Will Serve Letter for Danny and Elizabeth Coder Project (Danny and Elizabeth Coder), was made by Frank Hilliard and seconded by David Anderson. Motion passed 5-0.

A motion to approve the extension of the Conditional Can & Will Serve Letter for Legends Hilmar, Formerly Known as Poquito Lakes Project (JKB Living Inc.), was made by Frank Hilliard and seconded by Jim Gerdes. Motion passed 5-0.

A motion to approve the extension of the Conditional Can & Will Serve Letter for Mike Wadsworth Project (Wadsworth Properties Limited Partnership) was made by Frank Hilliard and seconded by Jim Gerdes. Motion passed 5-0.

A motion approving the Water Capacity Study Performed by QK Engineering was made by Tony Salvador Jr. and seconded by Jim Gerdes. Motion passed 5-0.

A motion approving the Yard Space Rental Agreement with Outsource Utility Contractor LLC was made by Frank Hilliard and seconded by Tony Salvador Jr. Motion passed 5-0.

A motion to adopt Resolution No. 596: A Resolution Adopting Budget for 2026-2027 Fiscal Year was made by Jim Gerdes and seconded by David Anderson. Motion passed 5-0.

A motion to adopt Resolution No. 597: A Resolution Discontinuing and Rescinding the Moratorium on Annexations and Connections of Additional Lands to Hilmar County Water District Water System was made by David Anderson and seconded by Frank Hilliard. Motion passed 5-0.

Meeting – 07/07/26

The meeting was called to order at 5:27 p.m. by President Jim Jones.

Consent Items – A motion was made and seconded to approve the consent items.

Public Forum – None

District Manager's Report –

Curtis Jorritsma reported that the water loss for June was 12.96%. He also provided the results of the nitrate testing. The results from the TID Yard, is the water being delivered to our customers, and it continues to be well below the standard of 10mg/L as stated below:

Nitrates	Cox Well #4	Jake Well #6	Woody Well #7	Mark Well #8	TID Yard
6/2/2026	Stand-By	0.40	17.00	0.40	0.30
6/9/2026	Stand-By	1.20	21.00	0.40	0.70
6/16/2026	Stand-By	0.50	21.00	0.50	<0.3
6/23/2026	Stand-By	0.50	21.00	0.50	0.40

	Cox Well #4	Jake Well #6	Woody Well #7	Mark Well #8	Total
Production (MG)	0.000	8.658	0.696	27.934	37.288

	Residential (SF)	Residential (MF)	Commercial	Institutional	School	Total
Usage (MG)	27.632	1.057	3.107	0.485	0.176	32.457

% Loss
12.96%

He also provided the TSS and BOD results:

	TSS	BOD
6/2/26	73.00	190.00
6/9/26	54.00	27.00
6/16/26	55.00	47.00
6/23/26	58.00	11.00
6/30/26	47.00	55.00

Curtis stated that the wastewater plant capacity was 65% of the max day level. He also stated that he is confident that the plant can handle current development projects.

Curtis reported that he met with the new Hilmar Unified School District Superintendent, Mr. Tony Lomeli. They had a good conversation regarding future opportunities between HCWD and Hilmar Unified.

Curtis stated that the flushing of the fire hydrants was successful, there was a lot less sand in the system. He also provided an update on the corporation yard. We are waiting for the permit approval for the septic tank.

Curtis informed the board he will be on vacation July 8th to July 19th.

Director Reports – None.

Public Hearing: Adoption of District Budget for the 2026-2027 Fiscal Year

The public hearing was called to order at 5:42 p.m.

The public hearing to adopt the proposed District Budget for 2026/2027 Fiscal Year was legally noticed in the Hilmar Times and posted at three sites in Hilmar. We received no written comments and there was no public in attendance.

Curtis provided the budget summary sheet of the FY 2025/26 unaudited year-end results and FY 2026/27 proposed budget. He stated the District is structurally sound and in good financial shape. FY 2025/26 revenues were above what was budgeted by 2.5%. Interest income is serving well for the District, generating $146,045.00 vs. $87,860.00 budgeted. Challenges in expenditures were well maintenance and meter replacements. Debt service is also reflected in the budget. Budget and project reports were presented to the Board. Curtis stated action will be taken on the 2026/2027 budget later in the meeting.

Action Items –

A) The bills that are due to be paid in July were presented. A motion was made and seconded to pay the bills presented.
B) Curtis presented the request of a new conditional Can & Will Service Letter for Danny and Elizabeth Coder. Mr. & Mrs. Coder are looking at parceling off their current property. They are looking for one water, sewer, and storm connection. We do not have storm services in their area. The CC&W would only be for water and sewer services. Staff recommended approval of the CC&W Service Letter. A motion was made and seconded to approve the request.
C) The Conditional Can & Will Serve Letter for Legends Hilmar, Formerly known as Poquito Lakes Project was presented to the Board. This project is for single family residences. Staff recommended approval of the extension of the CC&W Serve Notice. A motion was made and seconded to extend the Conditional Can & Will Serve Notice.
D) The Conditional Can & Will Serve Letter for Mike Wadsworth Project (Wadsworth Properties Limited Partnership) was presented to the Board. This project is south of Geer Avenue. Mr. Wadsworth stated in his request that he is moving forward with the project. Staff recommended approval of the extension of the CC&W Serve Notice. A motion was made and seconded to extend the Conditional Can & Will Serve Notice. Mr. Hilliard stated that as a board they should have a conversation regarding another well and tank. Consider tank/treatment options. Possibly have developers be responsible for having tanks or wells at each subdivision. Mr. Spencer Supinger, district engineer, stated that at times tanks are

used for elevation differences in a subdivision. Possibly have a booster pump station at the south end of town to assist with water pressure.

E) Curtis stated the water capacity study was presented at the last Board meeting. The California Waterworks Standards require water systems using only groundwater to be capable of meeting the Maximum Day Demand with the highest-capacity source offline. Based on the results of the study, we would be able to meet the Maximum Day Demand. A motion was made and seconded to approve the Water Capacity Study.

F) Curtis informed the Board that he was approached by Outsource Utility Contractor LLC., who performs contract work for AT&T and PG&E, in regard to the possibility of renting a portion of the area at the new corporation yard. An agreement was prepared by legal counsel; they will store their equipment and pay $2,450.00 per month for an estimated time frame of 12 months. A motion was made and seconded to approve the agreement with Outsource Utility Contractor LLC.

G) Curtis presented Resolution No. 596: A Resolution Adopting Budget for 2026-2027 Fiscal Year. Curtis presented the budget during the public hearing. A motion was made and seconded to adopt Resolution No. 596.

H) Curtis presented Resolution No. 597: A Resolution Discontinuing and Rescinding the Moratorium on Annexations and Connections of Additional Lands to Hilmar County Water District Water System. This resolution will officially discontinue and rescind the moratorium the District currently has in place. With well #8 coming online and based on the water capacity study, we are now able to rescind the moratorium. Mr. Stuart Spencer, legal counsel, stated he researched the legal authority and composed the resolution to rescind the moratorium. A motion was made and seconded to adopt Resolution No. 597.

Discussion Items –

A) Curtis reminded the board of the election candidate filing period. It is July 13, 2026 through August 7, 2026. An appointment does need to be made with the Merced County Registrar of Voters office.

The Directors Convened to Closed Session at 6:30 p.m.

A) Conference with Legal Counsel – Possible Litigation (Government Code Section 54956.9 (a)).

Directors returned to open session at 7:00 p.m.

There being no further business, the meeting was adjourned at 7:00 p.m.

Respectfully Submitted,

Tina Borges

Approved by:

Jim Jones

Board Member

8-4-26

Date