



Memo

To: Board of Directors
From: Tom Weddle, General Manager
Date: 2/24/26
Subject: Manager's Reports

Field Manager

We recently noticed that our Barn tank DCU was not calling in. We found this out online in the Aclara portal. Josselyn and I are currently collaborating with them to resolve this issue. Part of the problem we mentioned to them is why do we pay for a premium package to monitor our DCU'S and maintain them? They never started a ticket or even informed us. This DCU has not called in since 11/23/25. They emailed us saying our battery and power supply is bad, and that they would send us quote to get it replaced and installed. I evaluated the battery myself and it read 12.8 volts. This tells me the power supply (solar) is in fact working. I took the battery to Don's auto for further testing. They came back and said he put a load on it, enough to start a car for longer than normal. It passed all the tests. We explained to Aclara our findings but have yet to hear back from anyone.

We worked a bit in the CSD vault. We were able to get it restrained by bolting from the wall to the pipe and from the floor to the pipe. With other jobs taking precedence we have not gone back to finish the job.

As you may have seen on the news, we had a main break at 897 Nesthorn Dr. This is a 6" ACP water main. It was struck by an excavator bucket, and water had rushed down hill between houses and into the water way. We had a crew out there till 2am doing the repairs to get it back online. We also stayed connected with the county road department to put the road back to their specifications.

Brookside tree that was hanging over the road was removed. This took Corey and his crew 3 days to carefully get down and cut it up for us. No damage was received to any of our property.

We installed a new tap at 23150 Crest Forest dr. This is one of the last taps on our line next to Valley View. We have no as-builts on this portion of main. This was a terrific opportunity to locate exactly where our main is and connect new locating wire to it.

Office Manager

Our new MSP, Circle, is aware we need to upgrade and replace 3 servers. Back in 2025, with the previous MSP, we discussed this and the cost was \$15,000 - \$20,000

per server. Each of our servers is running on 2019 Microsoft, which is out of date and at cybersecurity risk is increased. Circle will be initiating this process on our behalf. We had been planning to replace one or two servers at a time due to cost, over the next few years but with this grant, we will be able to replace all 3 at the same time, if approved. We have included the document provided by Circle outlining the grant process.

General Manager

2026 Federal Appropriations. Our \$1,000,000 appropriations funding has passed the House, Senate, and signed by the president. This money is expected to be available by the end of the year.

2027 Federal Appropriations. We have applied for \$8,500,000 in Federal appropriations for FY 2027, through Obernolte's office. This would go into replacing the entire main on Wylerhorn. We have made a number of repairs on this line. There is a planned visit from an Obernolte Staffer in March.

2027 Senate Appropriations. Applications are now open for FY2027 Senate Appropriations, also known as Congressionally Directed Spending or earmarks.

We will be applying for appropriations through two different offices. The application through Senator Schiff's office is due by March 6 and Senator Padilla's office is due by March 13. The same projects will be applied for through both offices.

Rate Study Update. Two additional scenarios, 9 and 10, focusing on splitting consumption so that in scenario 9, we have 2/3 consumption in tier 1 and 1/3 in tier 2. In scenario 10, just under 60% consumption is in tier 1 and just over 40% is in tier 2.

Scenario 9 the rate is \$6.00 for tier 1 with a cap of 500 CF consumption, and tier 2 is \$8.55.

Scenario 10 lowers the consumption cap to 400 CF, and the rates for both tiers are \$0.20 lower.

The thought is to use the tier caps that most mirror what is happening on average for the year. Staff is recommending using Scenario 9 that has 2/3 of the water being used from District wells and 1/3 of the water being purchased through CLAWA.