

**H&J WATER COMPANY
ANNUAL MEETING**

Heroes Wood-Fired Pizza
4355 CA-78
Santa Ysabel, CA 92070
June 28, 2026

The Annual Meeting of the H & J Water Company was called to order by President Peter Girten at 1:06 PM.

Before establishing a quorum, community member Eric Watson requested it to be noted that because the By-Laws were not followed this meeting could be subject to a legal challenge. Peter Girten acknowledged that as a community board for a community company, a challenge is possible; however, no formal challenge was issued at that time.

A quorum was established with 19 members present and 11 proxies.
Water Company members present:

1. Judy Kemp
2. Cary and Linda Marshall
3. Robert Ward
4. Chris Ryder
5. Lucas Piek
6. Jordan Koth
7. Peter Girten
8. Chuck and Beth Howell
9. Don Craig
10. Gus Garcia
11. Eric Watkins
12. Suzie Strom
13. Chris Ortiz
14. Josue and Rosa Arias
15. Judy Grube
16. Greg Tsiknas and Linda Evins
17. Paul Trimble
18. Jay Evarts and Susan Aurand
19. Ismael Sanchez

Proxies received:

1. Anthony and Joy Napolitano (Peter Girtten)
2. David and Karen Garcia (Rosa Arias)
3. Rob and Laronda Cranfield (Suzie Strom)
4. Jim and Karen McFall (Chuck Howell)
5. Adam and Lisa Brice (Judy Grube)
6. Dave Turner (Rosa Arias)
7. Mathew and Keith Ferreira (Suzie Strom)
8. Richard and Lois Grauberger (Rosa Arias)
9. Teresa Shanahan (Paul Trimble)
10. John and Connie Malone (Rosa Arias)
11. Doug and Ohnmar Veirs (Judy Grube)

Members not represented in person or by proxy:

1. Steve Davis
2. Rebecca Wells
3. Wade Valentine
4. Neal and Stephanie Allen
5. Dennis Frieden
6. Eric Prebisius

These members will be charged a \$25 non-participation fee on their next water bill.

Board members introduced:

Peter Girtten, President

Rosa Arias, Treasurer

Josue Arias and Judy Grube, Members at Large

Peter Girtten noted there is currently not a secretary. Judy Grube will take the meeting notes.

Two new community members present were introduced and welcomed. They are Ismael Sanchez (& Daniella Yopez) and Jordan Koth.

President's Report

This report addressed the challenges of our aging infrastructure at H&J properties. The Company has had to perform excavations to locate wires and cables, replace critical components, repair pipe leaks, and remedy long-standing issues. Thanks go to Josue Arias for his exceptional volunteer work for some of these necessary repairs.

Our new Water Operator, Tim Guishard, along with his staff, has been instrumental in bringing H&J into compliance with the many State regulations now required to ensure safe drinking water for everyone. Tim's vast experience managing small water companies has enabled him to service many of the aging equipment components, but many of these repairs are a temporary fix. Thank you, Tim. H&J needs to look at being proactive versus reactive, as much of the equipment was installed in the 1970s and 1980s and will need to be replaced as finances allow.

We had two work parties this past year. Thank you to all who volunteered their time to help maintain the H&J property.

Secretary's Report

Peter Girtten noted that we do not currently have a secretary as there were two vacancies during the year. He summarized the minutes from last year, addressing that the jockey pump and the main pump had failed. The new operator that was hired in June 2025 was not competent for the demands of H&J.

Treasurer's Report

A motion was made and passed to accept the Treasurer's Report as read with one nay vote.

Eric Watkins and Suzie Strom voiced questions and asked for more transparency regarding the Special Assessment for a new filtration system instituted last year at the 2025 Annual Meeting. The reason we do not have a new system at this time is because we were able to hire Tim Guishard Enterprises and he and his team were able to identify the deficiencies with the existing filtration system. This is a temporary solution. In order to replace the filtration system we will have to expand it, the filter house, and the filter pad. The \$50,000 estimate for the Special Assessment is not

adequate to cover the cost to complete this project. There is transparency in recording the expenditures for the labor and parts to meet the needs of the Water Company. We have a bookkeeper and an accountant whose reports verify these expenditures.

Several members also commented on the lack of communication from Board Members to the H&J community. Future Board Members will work to improve communication.

Operator's Report

H&J has faced significant challenges resulting from the County's management of small water companies. Specifically, there has been a lack of compliance enforcement since the 1970s, followed by an unexpected shift of the State enforcing compliance immediately. It did take the State three years to begin monitoring H&J in July 2025, as the transfer occurred in July 2022.

Another issue in June was due to the lack of a surge protector. The well pump was down, and the storage tanks were almost empty before it was discovered.

H&J is in need of a SCADA System that would remotely notify the Operator when an event such as this occurs. The system would make available multiple data on a daily basis to the operator remotely. This would alleviate the travel costs and additional labor costs associated with coming onsite.

Ants are another concern that need to be eliminated in order for maintenance work to be done safely and prevent the damage that occurred to the contact points when ants got into an electrical contactor (a large relay) at well 2.

There are additional equipment updates that are needed, such as water meters out of the booster pumps connected to the storage tanks.

Records for H&J need to be filed and sealed in plastic tubs, and the Garage needs to be cleaned and organized with old parts removed and replacement parts easily available and stored properly.

Old Business

In order to continue to provide safe drinking water, be in compliance with the State of California, and address both emergency repairs and deferred maintenance the Company savings account has been impacted. As a small part of helping with this the Board Members agreed last December to give up the \$75 quarterly stipend they usually receive for travel and time spent to attend the monthly meetings.

We continue to replace the plastic water meter boxes with concrete boxes. Thank you, Paul Trimble.

H&J has received a grant for \$6,167 from Supervisor Joel Anderson which will be used to help with the cost of installation of a 3-phase generator for well 2.

There will need to be fire prevention clearance work done before installation of the new generator.

Tank cleaning is not needed at this time.

New Business

There was discussion regarding the handout for the proposed 10% rate increase. The items listed for the 10% increase were Water Usage, Annual Membership Dues, Stand-By Fee, Special Assessment stays the same, Membership/Transfer Application Fee, Turn-On Fee for Delinquent Meter, Meter Cleaning Fee, and Non-Participation Fee (Failure to attend Annual Meeting or submit proxy).

The New Membership Fee (First-Time Meter Installation) proposal was to raise the fee from \$8,000 to \$13,000. The Transfer Membership Fee proposal was from \$3,000 to \$5,000. Quarterly payment to officers stays the same. Beth Howell made the motion to accept the increases and Jay Evarts seconded the motion.

Including proxies, there were 23 votes in favor. Including proxies, there were 6 nay votes.

The motion passed.

Discussion regarding the need for a SCADA System was discussed, and a motion was made by Chuck Howell and seconded by Peter Girtten to make acquiring a SCADA System part of a Capital Improvement Plan. The motion passed.

Regarding election of Board Members, Peter Girtten will not remain as President, but he will be available in an advisory capacity. Josue Arias will remain on the Board. Judy Grube will remain on the Board. Rosa Arias requests a minimum of a year break from serving on the Board but is willing to train whoever volunteers for the Treasurer position. Greg Tsiknas expressed interest in working closely with the Board for grants or funding for H&J. An email will be sent to all members asking for volunteers to serve on the Board.

Jim McFall has offered to read the meters for the quarterly pay of \$75.

Other

To remain a non-profit mutual water company, the best course of action is to secure grant funds to repair and replace our aging infrastructure and help build a reserve fund to cover normal operating expenses. Thank you, Greg Tsiknas, for offering to help with this endeavor.

Suzie Strom, who does the chlorine reading on a daily basis for \$5 a day, would like to be paid \$10 a day to cover her time, computer and printing costs. While the community members appreciate her dedication to providing the daily readings, the current budget unfortunately does not allow for a financial increase at this time.

With no other business to be addressed, Peter Girtten adjourned the meeting at 5:15 PM.

Respectfully submitted,
Judy Grube