

**MINUTES OF A REGULAR AND SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277**

February 25, 2026 / 4:00 P.M.

Call to Order and Roll Call

President Bob Coghill called the Board meeting to order at 4:00 p.m. Those responding to roll call were Directors Michael Arthur, Larry Bowden, Bob Coghill, Randy Leazer, and Amy Woods. Also present were General Manager Matt Shragge, Superintendent Mike Minatrea, Financial Consultant Scott Nelsen, and District Secretary Cindy Fowlkes. Treatment/Production Superintendent Robert Shelton was absent.

Director Bowden made a motion to open the regular meeting and special meeting of February 25, 2026, at 4:00 p.m., seconded by Director Arthur, and unanimously approved.

Pledge of Allegiance

Mike Minatrea led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

None

1. Public Hearing on Establishing a Schedule of Rates for Monthly Water Service Charges

1.1 Board to Hear Public Testimony at This Time

Director Bowden moved to open the Public Hearing at 4:03 p.m., seconded by Director Arthur, and unanimously approved.

There being no public comments, Director Woods moved to close the public hearing at 4:03 p.m., seconded by Director Arthur, and unanimously approved.

2. Approval of Resolution 26-02 Adopting a Schedule of Rates for Monthly Water Service Charges Commencing with Fiscal Year 2025-2026

Charles Diamond with Water Resources Economics was present to answer questions. Proposition 218 notices were mailed out to all property owners and customers of record on January 6, 2026. Included in the notices were the proposed new rates, instructions on how to submit written protests, and written legal objections. The District took several measures to inform the public of the proposed rate increase including, holding (8) Coffee with the GM meetings, appearing on the Gary Daigneault Show on Z107.7, and on the website. To date, the District has received (2) protest letters and (1) letter in favor of the increase.

Director Leazer made a motion to adopt Resolution 26-02 adopting a schedule of rates for monthly water service charges commencing with fiscal year 2025-2026, seconded by Director Bowden, and approved by the following roll call vote:

Ayes: Directors Arthur, Bowden, Leazer, Woods, and Coghill
Noes: None

Abstain: None
Absent: None

3. Adopting Resolution 26-03 Commending Robert Shelton for 31 Years of Public Service
General Manager, Matt Shragge, read aloud the resolution commending Robert Shelton for his years of service to the District. Robert was recognized for his leadership style and dedication to the District. In his absence, Robert asked Matt to thank his family and coworkers for their support during his tenure.

Director Woods made a motion to adopt Resolution 26-03 Commending Robert Shelton for 31 Years of Public Service, seconded by Director Leazer, and approved by the following roll call vote:

Ayes: Directors Arthur, Bowden, Leazer, Woods, and Coghill
Noes: None
Abstain: None
Absent: None

4. Approval of Master Service Agreement Between the Twentynine Palms Water District and Nobel Systems for GeoViewer Software Subscription and Support Services
The service agreement provides the District with several subscriptions and modules currently in use and a new Customer Portal to allow for real time data. This will allow the customer to detect leaks faster and see their water consumption in real time.

Director Woods made a motion approve the (5) year service agreement with Nobel Systems, not to exceed \$99,800 for annual subscription fees and authorize the General Manager to execute all necessary documents, seconded by Director Leazer, and unanimously approved.

5. Closed Session: Conference with Legal Counsel – Anticipated Litigation
Potential Initiation of Litigation under Government Code, section 54956.9(d)(4)

The Board made no motion to enter closed session.

Review Proposals and Possible Award of Contract for the Redundant Treated Water Reservoir and Booster Pump Station at the Fluoride Removal Plant
Staff recommends awarding the Bid to the Van Dyke Corporation.

Director Leazer made a motion to award the contract for the redundant treated water reservoir and booster pump station at the Fluoride Removal Plant to Van Dyke Corporation in the amount of \$3,446,641.00 and authorize the General Manager to execute the necessary documents, seconded by Director Arthur, and approved by the following roll call vote:

Ayes: Directors Arthur, Bowden, Leazer, Woods, and Coghill
Noes: None
Abstain: None
Absent: None

6. Discussion and Review of the District's Organizational Change
Staff is looking for an open discussion on changing the organizational chart. The administration department would be removed from under the Director of Operations to allow the Director to focus on the maintenance and treatment departments. The General

Manager would be the direct report for the Office Manager. There would be no direct impact on the budget as the superintendent positions will remain vacant for a year or two. As it does not directly affect represented positions, the Union was informed as a courtesy.

The Board was in agreement to move forward with the proposed changes and bring it back for adoption consideration.

7. Consent Calendar

- Minutes of a Regular Meeting held on January 28, 2026
- Audit List

Director Arthur moved to approve the Minutes and Audit List, seconded by Director Woods, and approved unanimously.

8. Items Removed from the Consent Calendar for Discussion or Separate Action
None

9. Management Reports

9.1 Maintenance

Mike reported that the District responded to 48 Underground Service Alerts, had 0 water main leaks, 1 water meter leak, 1 service line leak, 2 fire hydrant repairs/maintenance, installed 2 new services, replaced 5 customer gate valves, performed 5 leak audits, painted 0 fire hydrants, performed 4 customer pressure checks, replaced 9 water meters, Tested and exercised emergency generators and sounded wells for January. 0 water waste inquiries were received. There was a total of 747 work orders processed during the month. The District received payment of approximately \$8,000.00 for the fire hydrant hit on Adobe Road and Alta Loma.

9.2 Water Quality

Mike reported water production was down 19.58% as compared to the same month in 2013. 40 routine and 16 special water samples were taken. All special samples tested negative for Colilert. All current wells meet the 2.0 mg/L standard fluoride variance set by the State Water Resource Control Board. All samples tested were below the variance.

9.3 Finance

Scott Nelsen reported on December financials. At 50% of the fiscal year (mid-budget), the total revenues were at 54% with total operating expenditures at 48%. Scott will begin working with staff on the 2026-2027 budget with plans to bring a draft budget to the Board in May.

9.4 General Manager

Matt reported the District received pre-construction plans for the new McDonald's renovation. Water improvement plans have not been submitted to the District. The Solar project on Lear is under the county's jurisdiction. Matt thanked Board members and City supporters, Stone James, Christina Benton, and Octavious Scott for attending Coffee with the General Manager. Matt thanked the Board and his management staff for supporting his professional growth. Robert was recognized for his dedication to the District and serving on the management team.

Matt will be working at bringing Robert back as a retired annuitant to assist with the redundant water reservoir project at the Treatment Plant.

10. Future Agenda Items and Staff Tasks/Directors' Comments and Reports

Director Arthur thanked staff for holding Coffee with the GM meetings as it provided a means for getting the word out to the ratepayers about the increase and showed the District was being transparent.

Director Coghill thanked Director Woods for her suggestion that the District use different avenues to inform the public of the rate increase, which led to the Coffee with the GM notion.

Director Woods thanked Robert Shelton for his calming presence and dedication to the District. Director Woods thanked Scott Nelsen for the presentation and explanation of the monthly financials.

Director Leazer congratulated Robert Shelton on his retirement.

Director Coghill noted Copper Mountain College was celebrating its 25th year. He congratulated the woman's basketball team for making the playoffs for the first time.


11. Adjournment

On motion by Director Woods, seconded by Director Bowden, and approved by the Board, the regular and special meetings were adjourned at 4:53 p.m.



Bob Coghill, President
Board of Directors

Attest:



Matthew Shragge, Board Secretary
Twentynine Palms Water District