

Cabazon Water District

14618 Broadway Street • P.O. Box 297
Cabazon, CA 92230

BOARD MEETING PACKET

February 17, 2026

FAC Meeting at 5:00 pm
Regular Meeting at 6:00 pm



Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

FINANCE & AUDIT COMMITTEE MEETING

AGENDA

Meeting Location:
14618 Broadway St.
Cabazon, CA 92230

Teleconference:
Dial-in #: (267) 930-4000
Participant Code: 676-126-939

Meeting Date:
Tuesday, February 17, 2026 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL
FINANCE & AUDIT COMMITTEE

1. Discussion Finance & Audit Committee Report
 - Balance Sheet
 - Profit and Loss Budget Comparison
 - Capital Detail
2. Discussion: Miscellaneous District Financial Matters
3. Finance & Audit Committee District Payables Review and Approval/Signing

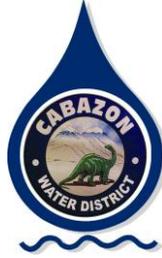
PUBLIC COMMENT

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ADJOURNMENT

ADA Compliance Issues

In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.



Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

AGENDA

Meeting Location:

14618 Broadway St.
Cabazon, CA 92230

Teleconference:

Dial-in #: (267) 930-4000
Participant Code: 676-126-939
Email: info@cabazonwater.org

Meeting Date:

Tuesday, February 17, 2026 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and Warrants of January 20, 2025
- b. Regular Board Meeting Minutes and Warrants of January 20, 2025

2. Warrants – None

3. Awards of Contracts – None

NEW BUSINESS

- 1. Discussion/Action: Appointment of New Director to Fill Vacant Seat**
- 2. Discussion/Action: Reorganization of the Board of Directors**
- 3. Discussion/Action: C.J. Brown & Company Proposal for Audit Services**
- 4. Discussion: Bank Transfer – Transferred \$220,000 from Chase General to CA CLASS**
- 5. Discussion: Community Involvement**

OLD BUSINESS

1. Discussion: DHPO 6” Connection for Expansion Project

UPDATES

1. Discussion/Updates: Reports on Meetings Attended by CWD Board of Directors
2. Discussion/Updates with SGPWA Director(s) regarding various matters
3. Update: CWD Operations Report
(by GM Clark)

PUBLIC COMMENTS

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FUTURE AGENDA ITEMS AND COMMENTS

1. Future Agenda Items
The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.
 - Suggested agenda items from the Public.
 - Suggested agenda items from Management.
 - Suggested agenda items from Board Members.
2. Management Comments
Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)
3. Board Member Comments
Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)
 - a. 03/02/2026 (Monday) at 1:30 PM: San Gorgonio Pass Water Agency Meeting
 - b. 03/16/2026 (Monday) at 6:00 PM: San Gorgonio Pass Water Agency Meeting
 - c. 03/17/2026 (Tuesday) at 5:00 PM: Finance & Audit Committee Meeting
 - d. 03/17/2026 (Tuesday) at 6:00 PM: Regular Board Meeting
 - e. 03/25/2026 (Wednesday) at 5:00 PM: San Gorgonio Pass Regional Water Alliance Committee Meeting
 - f. 04/09/2026 (Thursday) at 6:00 PM: West Desert MAC Meeting at the Community Center
 - g. TBD: Personnel Committee Meeting

ADJOURNMENT

ADA Compliance Issues

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Cabazon Water District
Statement of Net Position
(Preliminary and Unaudited)
As of December 31, 2025

	January 2026
1 ASSETS	
2 Current Assets	
3 Checking/Savings	\$ 498,397
4 Investments - LAIF and CLASS	2,289,105
5 Total Cash and Investments	<u>2,787,502</u>
6 Accounts Receivable	335,662
7 Bank of New York Trustee Accounts	41,488
8 Prepaid Expenses	11,585
9 Inventory	86,796
10 Total Current Assets	<u>3,263,034</u>
11 Fixed Assets	
12 Total Fixed Assets	17,522,227
13 Accumulated Depreciation	<u>(7,973,510)</u>
14 Net Fixed Assets	9,548,717
15 Other Assets	
16 Lease Receivable-Cell Towers	887,489
17 Total Other Assets	<u>887,489</u>
18 TOTAL ASSETS	<u>13,699,240</u>
19 LIABILITIES, DIR and FUND BALANCE	
20 Liabilities	
21 Current Liabilities	
22 Accounts Payable	16,327
23 Due to Other Government - SGPWA	34,370
24 Customer Deposits	5,800
25 Deferred Revenue - Tower Lease	-
26 Current Portion DWR Loan	47,183
27 Current RCAC (Well 4) Loan	13,947
28 Current Portion 2022 Ford	-
29 Accrued Expenses	67,238
30 Total Current Liabilities	<u>184,865</u>
31 Long Term Liabilities	
32 DWR Loan Payable	15,524
33 Ford Loan Payable	-
34 RCAC Loan Payable	133,464
35 Total Long Term Liabilities	<u>148,988</u>
36 TOTAL LIABILITIES	<u>333,852</u>
37 Deferred Inflow of Resources (DIR)	
38 Deferred Lease Inflows	798,370
39 Total Deferred Inflows	<u>798,370</u>
40 Total Fund Balance	12,567,018
41 TOTAL LIABILITIES, DIR and FUND BALANCE	<u>\$ 13,699,240</u>

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States are included.



Cabazon Water District
Budget to Actual
(Preliminary and Unaudited)
For Period Ending January 31, 2026

	A	B	C	D=B/C
	January 2026	Current YTD	Budget FY 25/26 Budget	YTD 58%
1 REVENUES				
2 OPERATING REVENUES				
3 Base Rate - Water Bills	\$ 66,755	\$ 378,921	\$ 615,100	62%
4 Commodity Sales	66,992	544,569	909,200	60%
5 Fire Sales - Water Bills	1,627	5,956	9,400	63%
6 Fees and Charges	9,424	41,139	67,100	61%
7 Basic Facilities Fee	1,180.00	101,258	90,760	112%
8 Stand By Fees - Tax Revenue	69,313	69,313	124,200	56%
9 TOTAL OPERATING REVENUES	215,290	1,141,156	1,815,760	63%
10 NON-OPERATING REVENUES				
11 Property Taxes	60,904	79,421	128,800	62%
12 Cell Tower Lease Income	5,783	23,134	39,800	58%
13 Miscellaneous Non-Operating Income	-	38,233	-	N/A
14 Interest Income - Investment Accounts	7,403	54,599	67,600	81%
15 Interest Income - Water Bills	995	5,206	8,300	63%
16 TOTAL NON-OPERATING REVENUES	75,086	200,592	244,500	82%
17 TOTAL REVENUES	290,375	1,341,748	2,060,260	65%
18 EXPENSES				
19 PAYROLL				
20 Directors Fees	900	7,600	20,000	38%
21 Management and Customer Service	29,942	161,980	263,300	62%
22 Field Workers	19,105	152,261	250,300	61%
23 Employee Benefits Expense	16,114	124,446	209,000	60%
24 Payroll Taxes	5,476	27,620	46,300	60%
25 TOTAL PAYROLL	71,538	473,907	788,900	60%
26 OPERATING EXPENSES				
27 Facilities, Wells, Transmission and Distribution				
28 Lab Fees	181	2,661	13,000	20%
29 Meter Testing and Repair	-	-	1,000	0%
30 Utilities - Wells	18,152	122,962	225,000	55%
31 Line Repair and Maintenance Materials	76	18,580	45,000	41%
32 Well Maintenance	76	10,102	34,000	30%
33 Security	453	10,570	18,700	57%
34 Engineering Services	-	2,962	15,000	20%
35 Facilities, Wells, Transmission and Distribution - Other	457	27,625	25,000	111%
36 Total Facilities, Wells, Transmission and Distribution	19,394	195,463	376,700	52%
37 Office Expenses				
38 Utilities - Office	2,640	22,984	36,500	63%
39 Water Billing System	333	2,982	13,400	22%
40 Supplies and Equipment	125	6,790	9,400	72%
41 Copier and Supplies	256	2,267	4,900	46%
42 Dues and Subscriptions	250	547	2,000	27%
43 Postage	1,910	6,946	11,800	59%
44 Printing and Publications	-	807	500	161%
45 Computer Services	1,843	23,253	25,800	90%
46 Air Conditioning Servicing	-	1,062	5,500	19%
47 Office Expenses - Other	140	752	900	84%
48 Total Office Expenses	7,498	68,389	110,700	62%
49 Support Services				



Cabazon Water District
Budget to Actual
(Preliminary and Unaudited)
For Period Ending January 31, 2026

	A	B	C	D=B/C	
	January 2026	Current YTD	Budget FY 25/26 Budget	YTD 58%	
50	Financial Audit	500	8,900	15,600	57%
51	Accounting	-	28,734	55,400	52%
52	Legal Services	1,396	3,758	15,000	25%
53	Payroll/Bank Service Charge	964	2,992	7,900	38%
54	Website Support	75	525	1,100	48%
55	Insurance	4,404	29,797	54,300	55%
56	Total Support Services	7,338	74,705	149,300	50%
57	Training/Travel	388	877	4,000	22%
58	Other Fees/State Water Resource Control Board	3,500	12,096	11,300	107%
59	Service Tools and Equipment				
60	Shop Supplies and Small Tools	373	6,463	9,000	72%
61	Vehicle Fuel	109	6,367	12,500	51%
62	Employee Uniforms	-	296	2,000	15%
63	Safety	486	1,140	2,000	57%
64	Tractor Expenses/ Maintenance	-	1,397	4,000	35%
65	Equipment Rental	-	-	4,000	0%
66	Service Trucks - Repair and Maintenance	228	3,956	12,000	33%
67	Water Operations On-Call Phones	244	1,588	4,500	35%
68	Total Service Tools and Equipment	1,441	21,207	50,000	42%
69	TOTAL OPERATING EXPENSES	111,097	846,644	1,490,900	57%
70	NON-OPERATING EXPENSES				
71	Loan Interest and Processing Fee	638	5,739	11,400	50%
72	Bad Debt Expense	-	-	1,400	0%
73	Miscellaneous	20	424	1,500	28%
74	TOTAL NON-OPERATING EXPENSES	658	6,163	14,300	43%
75	TOTAL EXPENSES	111,755	852,807	1,505,200	57%
76	NET INCOME BEFORE CAPITAL and DEBT SERVICE	178,620	488,941	555,060	88%
77	Capital Projects - District Funded	(1,385)	(79,008)	(290,300)	27%
78	Capital Projects - Debt Funded	(2,986)	3,918	-	N/A
79	Debt Service - Principal	(1,113)	(31,223)	(77,700)	40%
	NET INCOME / (LOSS)	173,137	382,628	187,060	205%



**Cabazon Water District
Capital Detail
(Preliminary and Unaudited)
For Period Ending January 31, 2026**

	A	B	C	D=B/C
	January 2026	Current YTD	FY 25/26 Budget	YTD 58%
1 CAPITAL PROJECTS				
2 DISTRICT FUNDED				
3 Replace Computer Workstations	-	16,614	17,000	98%
4 Bonita Pipeline Project 3400' 12" C900	-	-	160,000	0%
5 Meter Replacements	-	3,513	3,000	117%
6 Rate Study	1,385	22,426	33,300	67%
7 Well #2 New Facility Building	-	29,756	25,000	119%
8 Tank Maintenance	-	6,700	7,000	96%
9 TOTAL DISTRICT FUNDED PROJECTS	1,385	79,008	245,300	32%
10 GRANT/DEBT FUNDED				
11 State Water Resource Control Board (SWRCB)				
12 Groundwater Well Improvements	2,986	50,682	461,500	5%
13 Grant Funding - DWR	-	(54,600)	(461,500)	2%
14 NET GRANT/DEBT FUNDED PROJECTS	2,986	-3,918	0	
15 TOTAL NET COST OF CAPITAL PROJECTS	\$ 4,371	\$ 75,091	\$ 245,300	

Grant/Debt Funded Activity Summary

Groundwater Well Improvement Project	Expenses	Funding Received	Total Receivable
Groundwater Well Improvements - FY 22	\$ 42,466	\$ 42,466	\$ -
Groundwater Well Improvements - FY 23	19,744	19,744	-
Groundwater Well Improvements - FY 24	12,935	12,935	-
Groundwater Well Improvements - FY 25	21,339	9,459	11,880
Groundwater Well Improvements - FY 26	50,682	(54,600)	105,282
Total	\$ 96,484	\$ 84,604	\$ 11,880



Cabazon Water District
14618 Broadway Street • P.O. Box 297
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FINANCE & AUDIT COMMITTEE MEETING

MINUTES

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:
Tuesday, January 20, 2026 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

Director Melissa Carlin – Present
Board Chair Terry Tincher – Present
Michael Pollack, General Manager – Present
Evelyn Aguilar, Board Secretary – Present

***Note: This meeting was recorded by the District**

FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
- Balance Sheet
 - Profit and Loss Budget Comparison
 - Capital Detail

Main Reports:

- Balance Sheet – depicts what the District owns and what the District owes.
- Profit & Loss Budget Performance – shows how the District is performing against the budget, and the condition of the District fiscal year to date.
- Capital Detail – shows activity pertaining to Capital Projects.

Balance Sheet:

The District's combined Cash and Investments with Chase Bank, Local Agency Investment Fund (LAIF), and California Cooperative Liquid Assets Securities System (CLASS) balance was \$2,628,379 at month end. The District's total liabilities were approximately \$349,627 at month end.

Budget to Actual: - Year to date (YTD) is 50% of the year.

Revenue:

7. Basic Facilities Fee: Fees for new service connections, meter installations, and upgrades. These revenues are budgeted conservatively due to their unpredictable nature. YTD is 110% of the annual budget due to three new services requested in July and 4 in October. 7 new 3/4" or 5/8" services were requested and 2 upgrade from 5/8 to 3/4" meter requested.

8. Standby Fees – Tax Revenue: Standby fees assessed to all parcels in the District. The minimum fee is \$5/acre; rates vary per location and nature of the parcel. The majority of these receipts occur in January and May.

11. Property Taxes: Ad Valorem tax revenues apportioned by Riverside County. Property Tax receipts are received in January, May, and June when property tax payments are due to the County of Riverside Tax Collector's Office.

14. Interest Income-Investment Accounts: Interest earnings in the District's LAIF and other investment accounts. YTD is 70% of budget due to budgeting investment income conservatively.

Expenses:

25. Total Payroll: YTD is at 51%.

35. Facilities, Wells, T&D – Other: Generator service contract expenses, site landscaping & maintenance, chlorinators, and SCADA. Expenses vary throughout the year. YTD is 109% of annual budget due to \$12.6K to work on Almond PRV and install main valve at Bonita PRV.

40. Supplies & Equipment: Supply and equipment purchases for the District office. YTD is 71% of annual budget due to \$4k for the purchase of bill forms and envelopes.

44. Printing & Publications: Printing and publication costs for any District notices or reports. YTD is 161% for BC water Jobs: GM and FCWWT I Job posting

45. Computer Services: Monthly IT support. YTD is 83% Microsoft 365 Email Management

52. Financial Audit: Annual financial audit. YTD is 76% of annual budget due to timing of audit fees.

52. Legal Services: Legal services for the District.

58. Other Fees/State Water Resource Control Board: Annual LAFCO fees, State Water Resource Control Board (SWRCB) fees, and other various County fees. YTD is at 76% due to the timing of the bills.

60. Shop Supplies & Small Tools: Various shop supplies and small tool purchases. YTD is 68% for a pipe and cable tracer for district.

Preliminary net income as of December 31 is \$206,941.

2. Discussion: Miscellaneous District Financial Matters
3. Finance & Audit Committee District Payables Review and Approval/Signing

PUBLIC COMMENT

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ADJOURNMENT

Meeting adjourned at 5:09 PM on Tuesday, January 20, 2026 and the FAC proceeded to check signing.

**Terry Tincher, Board Chair
Board of Directors
Cabazon Water District**

**Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District**

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Cabazon Water District
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**REGULAR BOARD MEETING
MINUTES**

Meeting Location:

14618 Broadway St.
Cabazon, CA 92230

Teleconference:

Dial-in #: 978-990-5321
Access Code: 117188
Email: info@cabazonwater.org

Meeting Date:

Tuesday, January 20, 2026 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

Director Guillermo Perez - Present

Director Melissa Carlin - Present

Board Vice Chair Taffy Brock - Present

Board Chair Terry Tincher - Present

Michael Pollack, General Manager - Present

Evelyn Aguilar, Board Secretary - Present

Note: This meeting was recorded by the District

CONSENT CALENDAR

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1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and Warrants of December 16, 2025

b. Regular Board Meeting Minutes and Warrants of December 16, 2025

Motion to approve following consent calendar items (a.) Finance and Audit Committee Meeting Minutes and Warrants of December 16, 2025 and (b.) Regular Board Meeting Minutes and Warrants of December 16, 2025 made by Board Vice Chair Brock and 2nd by Director Carlin.

**Director Perez - Aye
Director Carlin - Aye
Board Vice Chair Brock - Aye
Board Chair Tincher - Aye**

- 2. **Warrants – None**
- 3. **Awards of Contracts – None**

NEW BUSINESS

- 1. **Discussion/Action: Appointment of New Director to Fill Vacant Seat**
 - No one applied for the vacant seat. The Board Secretary said that staff would mail out notices with the water bills at the end of the month, and the Board can appoint someone at the February meeting.
- 2. **Discussion/Action: Reorganization of the Board of Directors**
 - This item is postponed until a new Director is appointed.
- 3. **Discussion/Action: Approval of DHPO 6” Connection, Contingent on Engineer and Staff Approval of Formal Set of Plans**
 - DHPOS is planning an expansion and requires additional flow for fire protection. DHPO’s engineer has been working with staff and is looking into adding a 6” fire service connection. Research is being done to determine the cost of the service connection. DHPO still needs a formal set of plans to submit to Krieger & Stewart before any work can be completed.
 - An alternative option would be to increase DHPO’s 10” meter to a 16” meter. Staff will meet with K&S to discuss if this option would provide the required flow.
 - Since there is still much research that needs to be done, this item is postponed.
- 4. **Discussion: Bank Transfer – Transferred \$55,208.42 from Chase General to CA CLASS**
 - A \$55,208.42 transfer was made from the Chase account to the CA CLASS account to reduce the Chase account to \$250,000, and to increase the amount of interest that the CA CLASS account will earn.
- 5. **Discussion: Community Involvement**
 - Nothing to report.

OLD BUSINESS

UPDATES

- 1. **Discussion/Updates: Reports on Meetings Attended by CWD Board of Directors**

- Board Vice Chair Brock attended the SGPWA meetings and reported the following:
 - SGPWA reorganized their Board. Sarah Wargo is the Secretary.
 - GM Lance Eckhart did a good job at explaining the State's new Chromium reporting requirements. Some notices had to be sent out to Banning stating that the water contained chromium, but the levels in the water did not change. The reporting levels did. According to federal levels, the levels have not been reached.

2. Discussion/Updates: Discussion/Updates with SGPWA Director(s) regarding various matters

- SGPWA Director Sarah Wargo was present and reported the following:
 - She echoed the Board reorganization and chromium 6 reporting updates.
 - The heli-hydrants in High Valley are complete. One is being constructed in Calimesa.
 - USGS is putting in a monitoring well in Banning.
 - The Banning Bench is installing a new reservoir, with the assistance of Gap Funding from SGPWA.

**3. Update: CWD Operations Report
(by GM Pollack and WT II James Clark)**

- GM Pollack reported the following:
 - On 12/17/2025, there was a meeting at SGPWA with General Managers and other representatives of the Groundwater Sustainability Agencies. They discussed groundwater recharge, and the installation of a stream gage on the Morongo Reservation.
 - On 01/15/2026, GM Pollack worked with CRWA to resubmit the grant application for pipeline replacement under the "construction" category instead of "planning" to keep the application current for when funds become available.
 - On 01/07/2026, a meeting with DHPO's engineer was held to discuss the potential addition of a 6" fire service.
- This was GM Pollack's last Board meeting. He expressed how grateful he is to have been the GM for the past 3 and a half years.
- He also shared some very positive words of appreciation for Evelyn Aguilar, acknowledging her work ethic, attention to detail, and dedication throughout his entire employment with Cabazon Water District.

PUBLIC COMMENTS

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- Sarah Wargo thanked Michael Pollack for his time at CWD.

FUTURE AGENDA ITEMS AND COMMENTS

- 1. Future Agenda Items**
The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
 - Suggested agenda items from Management.
- The Board Director Appointment, Board Reorganization, and DHPO Service will be included in the next Board Meeting.

- Suggested agenda items from Board Members.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. 01/26/2026 (Monday) at 6:00 PM: San Gorgonio Pass Water Agency Meeting
- b. 01/28/2026 (Wednesday) at 5:00 PM: San Gorgonio Pass Regional Water Alliance Committee Meeting
- c. 02/02/2026 (Monday) at 1:30 PM: San Gorgonio Pass Water Agency Meeting
- d. 02/17/2026 (Tuesday) at 5:00 PM: Finance & Audit Committee Meeting
- e. 02/17/2026 (Tuesday) at 6:00 PM: Regular Board Meeting
- f. 02/05/2026 (Thursday) at 6:00 PM: West Desert MAC Meeting at the Community Center
- g. TBD: Personnel Committee Meeting

ADJOURNMENT

Motion to adjourn at 6:24 PM made by Director Carlin and 2nd by Director Perez

Director Perez - Aye
Director Carlin - Aye
Board Vice Chair Brock - Aye
Board Chair Tincher - Aye

Meeting adjourned at 6:24 PM on Tuesday, January 20, 2026

Terry Tincher, Board Chair
Board of Directors
Cabazon Water District

Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District

ADA Compliance Issues

In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide access.

New Business

1. Discussion/Action Item:

[TAB 1]

Appointment of New Director to Fill Vacant Seat

New Business

2. Discussion/Action Item:

[TAB 2]

Reorganization of the Board of Directors

Attachments:

1. List of Board positions and committees



Cabazon Water District

14816 Broadway Street • P.O. Box 297
Cabazon, California 92230

Positions and Committees of the Board of Directors

Position/Committee	Description	Directors on Committee	Alternate
1. Board Chair		1.	
2. Board Vice Chair		1.	
3. Finance and Audit Committee (FAC - Ad hoc)	<ul style="list-style-type: none"> • Requires two (2) Board members to meet twice per month. • Review all District payables. • Dual signatures on all District checks issued. • Meet with the Business Admin. Assistant and Financial Advisor in reviewing the proposed fiscal year budgets to report to the Board • Meet with the General Manager, Business Admin. Assistant, and other experts or consultants regarding the cost purpose of special projects and Capital Improvement Projects (CIP) to report to the Board. • Other major financial issues to report to the Board. 	1. 2.	

Position/Committee	Description	Directors on Committee	Alternate
4. Personnel Committee (Ad hoc)	<ul style="list-style-type: none"> • Requires two (2) Board members • Meet with the General Manager annually (on or before February 1st of each year) to render a recommendation on the General Manager’s annual performance evaluation. • Meet with the General Manager, Business Admin. Assistant, legal counsel, other labor experts or consultants regarding any District employee(s) petitioning the Board to appeal a disciplinary action. • Meet with the District’s legal counsel on all disciplinary issues involving the General Manager or Board Secretary. 	<ol style="list-style-type: none"> 1. 2. 	
5. San Geronio Pass Regional Water Alliance Committee (SGPRWA - Ad hoc)	<ul style="list-style-type: none"> • Requires two (2) Board members. • Requires at least one (1) member of the SGPRWA - Ad hoc committee to commit to attend SGPRWA monthly meetings and special events. • Any Board members may attend meetings, special events, and trips. It is recommended that no more than two (2) Board members to participate on trips to represent the District, the community of Cabazon, and the SGPRWA. • The General Manager or Business Admin. Assistant may attend meetings, special events, and trips with Board members approved by the Board. • Board members participating in these meetings, special events, and trips shall report and distribute information to the Board at the next regular Board meeting. 	<ol style="list-style-type: none"> 1. 2. 	
6. San Geronio Pass Water Agency	<ul style="list-style-type: none"> • Requires two (2) Board members. • At least 1 member attends SGPWA regular board meetings • Distribute applicable info to the CWD Board regarding these meetings 	<ol style="list-style-type: none"> 1. 2. 	
7. Special Projects Committee (Ad hoc)	<ul style="list-style-type: none"> • Requires two (2) Board members. • Both Board members shall meet with the General Manager, Business Admin. Assistant, general counsel, other experts or consultants regarding Special projects and Southern California Edison – Public Safety Power Shut-off (SCE PSPS) matters. • Both Board members will provide input during regular Board meeting discussions regarding Special projects, SCE PSPS issues, and proposed procedures. 	<ol style="list-style-type: none"> 1. 2. 	

New Business

3. Discussion/Action Item:

[TAB 3]

C.J. Brown & Company Proposal for Audit Services

Attachments:

1. 5-Year Cost Proposal for Audit Services



**Certified
Public
Accountants**



**Consultants
& Advisors**



Cabazon Water District

Cost Proposal to Provide Professional Audit Services

**For the Fiscal Years Ended
June 30, 2026 through 2030**

**Christopher J. Brown CPA, CGMA
Jonathan P. Abadesco, CPA**

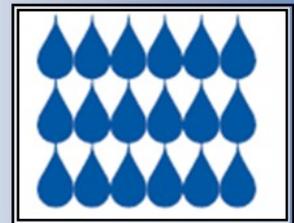
10805 Holder Street, Suite 150
Cypress, California 90630

5051 Canyon Crest Drive Suite 203
Riverside, California 92507

Phone: (657) 214-2307

Email: chris@cjbrowncpa.com
jonathan@cjbrowncpa.com

California BOA License Number: 6529



**C.J. Brown & Company, CPAs
An Accountancy Corporation**



C.J. Brown & Company CPAs

An Accountancy Corporation

Christopher J. Brown, CPA, CGMA
Jonathan Abadesco, CPA
Jeffrey Palmer

Cypress Office:
10805 Holder Street, Suite 150
Cypress, California 90630
(657) 214-2307

Riverside Office:
5051 Canyon Crest Drive, Suite 203
Riverside, California 92507
(657) 214-2307

February 12, 2026

Cabazon Water District
Attn: James Clark, General Manager
14618 Broadway Street
Cabazon, California 92230

Re: Request for Proposal for Professional Auditing Services

Dear Mr. James Clark:

Based on our understanding of the Cabazon Water District’s (District) requirements, our total all-inclusive fee for services requested at our discounted rates for the fiscal year ending June 30, 2026, will be **\$26,500**. This fee is based on our understanding of the District’s audit requirements.

Assuming there is no substantial change in the District’s activities and operations, our all-inclusive fee for the fiscal years ending June 30, 2027, and 2030, will be **\$26,965**, **\$27,430**, **\$27,895**, and **\$28,360**, respectively.

Our estimate for out-of-pocket expenses may not be utilized in total to the amount estimated. Again, these fees are based on the estimated costs to complete the audit. The components of this audit services fee proposal and out-of-pocket costs for the fiscal years ending June 30, 2026 through 2030, are itemized in the attached Exhibits.

Our fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates and the level of experience required. We would execute separate contracts for these services if they are requested by the Authority.

I am authorized to make representations for C.J. Brown & Company, CPAs – An Accountancy Corporation and am duly authorized to sign a contract with the Authority.

Christopher J. Brown, CPA CGMA

February 12, 2026 _____

Date

Exhibit I – Proposed Hours

Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2026, through 2030, the financial audit of the District’s annual comprehensive financial report will approximately 130 hours by major area, and are summarized as follows:

Break out of Financial Statement Audit Hours				
Audit Steps	Partners	Mgr/Sup	Staff	Total
Planning	5	5	5	15
Risk Assessment	5	5	5	15
Controls Testwork	5	10	20	35
Substantive Testwork	5	5	30	40
Reporting	5	5	15	25
	25	30	75	130

As shown above, we expect approximately 42% of engagement hours to come from Partners, Managers, and Supervisors assigned to the engagement in the fiscal years 2026 through 2030, respectively.

Working on the premise that we will be provided with a year-end trial balance, along with an audit package of reconciled balances and supporting schedules of all balance sheet accounts, we expect to perform the audit of the District at fees as stated in the attached Exhibit II - Cost Proposal Schedule By Year on Page 3 for the fiscal years 2026 through 2030, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as, confirmations, report reproductions, postage, travel, etc.). We will obtain the assistance of the District’s personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due upon submission. Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our fixed fee. Our rates vary according to the degree of responsibility involved and the level of experience of the personnel assigned to the audits. We have provided a breakdown of our fees, which would apply to this engagement on the attached Exhibit III - Schedule of Professional Fees on Pages 4 through 6 of this cost proposal.

In accordance with California Code of Regulations, Title 16, Section 68.3, under the authority of the California Board of Accountancy, and Firm Policies, we will maintain our work papers for at least seven years from the date of issuance of the report (report release date) and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District.

We want the Board to understand that we will provide any assistance and answer any questions that the Authority’s staff or members of the Board may have when they arise for the entire duration of our contract. We find it important to stay abreast of the Authority’s activities and accounting issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and our interest in the Authority, we will provide you with assistance in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Cost Proposal Schedule by Year

Cabazon Water District

<u>Fees By Fiscal Year</u>	<u>Audit Service Fees*</u>	<u>Annual State Controller's Report **</u>	<u>Out of Pocket Expenses***</u>	<u>Total</u>	<u>Single Audit Report****</u>	<u>Total All-Inclusive Maximum Price</u>
Fiscal Year 2026	\$ 17,000	800	700	18,500	8,000	26,500
Fiscal Year 2027	17,315	800	700	18,815	8,150	26,965
Fiscal Year 2028	17,630	800	700	19,130	8,300	27,430
Fiscal Year 2029	17,945	800	700	19,445	8,450	27,895
Fiscal Year 2030	\$ 18,260	800	700	19,760	8,600	28,360
Total by Fiscal Year	<u>88,150</u>	<u>4,000</u>	<u>3,500</u>	<u>95,650</u>	<u>41,500</u>	<u>137,150</u>

* Professional audit services fees - labor only.

** Preparation of the Financial Transactions Report due to the State Controller's Office by January 31 each year.

*** Estimate of out-of-pocket costs consist of: travel, confirmation, postage and printing costs.

**** Single audit will be determined each year, if required.

Please note that any additional services requested by the District during the audit period shall be negotiated at the stated hourly rates per year as noted in the following schedules.

Exhibit III – Schedule of Professional Fees

Cabazon Water District Fiscal Year 2026

Breakdown of Fees by Hours

Financial Statement Audit of:	Hours	Hourly Rates	Total
District's Basic Financial Statements			
Engagement Partner	20	\$ 185	\$ 3,700
Technical Review Partner	5	185	925
Manager/Supervisor	30	150	4,500
Staff	75	105	7,875
Total Financial Statement Audit for 2026	130		17,000
Preparation of the District's Annual State Controller's Report			800
Out-of-Pocket Expenses (e.g. travel, confirmations, printing, etc.)			700
Single Audit of Federal Awards (if required):			
Partner - Engagement & Technical	10	185	1,850
Manager/Supervisor	20	150	3,000
Staff	30	105	3,150
Total Single Audit for 2026	60		8,000
Total All-Inclusive Maximum fee for 2026	190		\$ 26,500

Cabazon Water District Fiscal Year 2027

Breakdown of Fees by Hours

Financial Statement Audit of:	Hours	Hourly Rates	Total
District's Basic Financial Statements			
Engagement Partner	20	\$ 188	\$ 3,760
Technical Review Partner	5	188	940
Manager/Supervisor	30	153	4,590
Staff	75	107	8,025
Total Financial Statement Audit for 2027	130		17,315
Preparation of the District's Annual State Controller's Report			800
Out-of-Pocket Expenses (e.g. travel, confirmations, printing, etc.)			700
Single Audit of Federal Awards (as required):			
Partner - Engagement & Technical	10	188	1,880
Manager/Supervisor	20	153	3,060
Staff	30	107	3,210
Total Single Audit for 2027	60		8,150
Total All-Inclusive fee for 2027	190		\$ 26,965

Exhibit III – Schedule of Professional Fees, continued

Cabazon Water District			
Fiscal Year 2028			

Breakdown of Fees by Hours

Financial Statement Audit of:	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total</u>
District's Basic Financial Statements			
Engagement Partner	20	\$ 191	\$ 3,820
Technical Review Partner	5	191	955
Manager/Supervisor	30	156	4,680
Staff	75	109	8,175
Total Financial Statement Audit for 2028	130		17,630
Preparation of the District's Annual State Controller's Report			800
Out-of-Pocket Expenses (e.g. travel, confirmations, printing, etc.)			700
Single Audit of Federal Awards (as required):			
Partner - Engagement & Technical	10	191	1,910
Manager/Supervisor	20	156	3,120
Staff	30	109	3,270
Total Single Audit for 2028	60		8,300
Total All-Inclusive fee for 2028	190		\$ 27,430

Cabazon Water District			
Fiscal Year 2029			

Breakdown of Fees by Hours

Financial Statement Audit of:	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total</u>
District's Basic Financial Statements			
Engagement Partner	20	\$ 194	\$ 3,880
Technical Review Partner	5	194	970
Manager/Supervisor	30	159	4,770
Staff	75	111	8,325
Total Financial Statement Audit for 2029	130		17,945
Preparation of the District's Annual State Controller's Report			800
Out-of-Pocket Expenses (e.g. travel, confirmations, printing, etc.)			700
Single Audit of Federal Awards (as required):			
Partner - Engagement & Technical	10	194	1,940
Manager/Supervisor	20	159	3,180
Staff	30	111	3,330
Total Single Audit for 2029	60		8,450
Total All-Inclusive fee for 2029	190		\$ 27,895

Exhibit III – Schedule of Professional Fees, continued

**Cabazon Water District
Fiscal Year 2030**

Breakdown of Fees by Hours

	Hours		Hourly Rates		Total
Financial Statement Audit of:					
District's Basic Financial Statements					
Engagement Partner	20	\$	197	\$	3,940
Technical Review Partner	5		197		985
Manager/Supervisor	30		162		4,860
Staff	75		113		8,475
Total Financial Statement Audit for 2030	130				18,260
Preparation of the District's Annual State Controller's Report					800
Out-of-Pocket Expenses (e.g. travel, confirmations, printing, etc.)					700
Single Audit of Federal Awards (as required):					
Partner - Engagement & Technical	10		197		1,970
Manager/Supervisor	20		162		3,240
Staff	30		113		3,390
Total Single Audit for 2030	60				8,600
Total All-Inclusive fee for 2030	190			\$	28,360

Updates

CWD Operations Report: [TAB 4]

Attachments:

1. Monthly Operations Report



Cabazon Water District

14-618 Broadway Street • P.O. Box 297
Cabazon, California 92230

February 17, 2026

CWD Board Meeting

Operations Update

- Mike Pollack's final day was February 5, 2026.
- My first day was February 9, 2026.
- Well 4 electrical panels have been installed.
 - Awaiting installation of operational timers to finalize project.
 - Obtaining quotes for SCADA panel installation.
- Well 2 has a slight wobble on the shaft. Obtaining quotes for possible repairs.
- Interviews for Water Tech 1 position scheduled for February 18, 2026
- We now have access to the UB4 Billing System test version
 - Full system upgrade anticipated within the next few months