Western Hills Water District

September 5, 2026

Western Hills Water District
Minutes of Special Meeting And Public Hearing

1. Roll Call of Special Closed Session at 10:30 a.m.
   In Person attendance by Kovich, Davies, Oliver, Johnson, Frederick, and Special Legal Counsel Sam Neasham and Patricia Kramer.

2. Motion to approve published agenda
   Unanimously approved.

3. Public Comments on Closed Session Items
   There were no public attendees. No comments.

4. 10:30 a.m. Closed Executive Session

MEETING OF THE WESTERN HILLS WATER DISTRICT BOARD OF DIRECTORS, SITTING AS THE GOVERNING/LEGISLATIVE BODY FOR AND ON BEHALF OF DIABLO GRANDE COMMUNITY FACILITIES DISTRICT #1:

A. Conference with Legal Counsel – Existing Litigation Pursuant to Gov't Code § 54956.9(d)(1). *In re Diablo Grande Community Facilities District No. 1*, United States Bankruptcy Court for the Eastern District of California Case No. 25-26635-A-9.

MEETING FOR WESTERN HILLS WATER DISTRICT:

B. Conference with Legal Counsel - Existing Litigation Pursuant to Gov. Code s. 54956.9(d)(1): *Western Hills Water District v. World International, LLC et al.*; SCSC Case no. CV-24-003049, -003155; FPPC Complaint No. COM-12192023-03944, Guillermo Marrero; 2024-00585, Carmen Millan Kearney, Douglas Kearney. Appellate Case: World Int'l LLC et al, Appellant v. Western Hills Water District, Respondent and Court of Appeals Case #F080038 and #F089938

C. Conference with Legal Counsel - Existing Litigation Pursuant to Gov. Code s. 54956.9(d)(1): City of Patterson v. WHWD/Stanislaus Court Case N. CV-23-005834

The Board discussed and concluded

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5. 12:00 p.m. Reconvene Open Session

6. Roll Call
Kovich, Oliver, Johnson, Davies, and Frederick in attendance

7. Pledge of Alliance to the Flag

8. Reportable Actions Taken During Closed Session
None

9. Consent Calendar

A. Consider and action to approve the following Board Meeting Minutes: Motioned by Kovich, 2nd by Frederick, Unanimously approved.

July 18th Special Meeting and August 13th Regular Meeting

10. **Public Comments on Agenda items**

11. **Agenda Item – Diablo Grande Community Facilities District No. 1**

A. Direction Kovich gave Presentation on Property Tax Settlement between the County of Stanislaus on the DG CFD

B. Consider and action of estimates from Silveria Construction on repairs of Clubhouse to prevent rain water damage and propane safety disconnect: 2 proposals were submitted by Silveira Construction. Director Frederick motioned to go with lower bid of $6938.59, 2nd by Oliver, Unanimously approved.

12. **Agenda Items – Western Hills Water District**

A. Director Kovich presented history and explanation of the new Western Hills Water contract with Kern County Water Agency.

B. Director Kovich presented an update status of the Western Hills Water District operating finances.

C. Special Legal Counsel Sam Neasham and Special Legal Counsel Patricia Kramer presented status on Diablo Grande lawsuits and other claims against World International, LLC and its related parties.

D. Consider and action to approve water rates based on rate study and Motion 11A of July 18th Board Meeting: There were no protest letters submitted. Based rate reduction to $354 for FY 2027 with Kier+Wright rate study approved for FY 2028 through FY 2031.

E. Consider and action to transfer $189,493.42 Debt from Resolutions 2021-15 and 2021-17 to WHWD reserve account per Resolution 2025-11: Motioned by Oliver, 2nd by Frederick, Unanimously approved.

F. Consider and action of Resolution 2026-09 approving City of Patterson sewer charge to be collected on Property Tax bill for FY 2027: Motioned by Johnson, 2nd by Oliver, Unanimously approved.

11. Public Comment on Items Not on the Agenda

12. Motion to adjourn public meeting
Motioned by Kovich, 2nd by Johnson, Unanimously approved.

Respectfully Submitted:

Lori Lawson, Board Secretary

Mark Kovich, Board President