

BOARD OF DIRECTORS

Meeting Minutes

January 16, 2020 6:00 PM.
Crestline Sanitation District, Meeting Room
24516 Lake Drive, Crestline, CA 92325

CALL TO ORDER: Director Pederson calls the meeting to order at 6:00 PM.

PRESENT: President: Donald Pederson
Vice President: Gilbert Flores
Treasurer: Daniel Dobrescu
Secretary: Joseph Jackson

ABSENT: Director: Eric Stone

STAFF: Office Administrator: Rosemarie Garcia
Chief Operator: Nathan Burwell

Audience Members: None.

Director Flores leads the Pledge of Allegiance.

1. Consent Agenda

- A. January 16, 2020 Agenda, Approval.
- B. September 19 2019 Meeting Minutes, Rev-A, Approval.
- C. December 19, 2019 Meeting Minutes, Approval.

DISCUSSION: Director Pederson indicates the September 19 2019 Meeting Minutes had included the Operations Report from July, and have been corrected to include the report from August.

MOTION: Director Dobrescu motions to approve the Consent Agenda as presented. Director Flores seconds the motion.

ACTION: Motion approved upon unanimous vote.

2. Old Business:

A. Rate Study

DISCUSSION: The Board continues review and discussion concerning the 2019 Rate Study, which suggests a 5.5% increase in Membership Fees, Meter Charges and Consumption Rates each year for the next five years. In particular the Board reviewed Table-8 Bill Projections of the rate study, and a 10-year projection of Revenue and Expense provided by Director Pederson. The Board also

compared the effects of moving consumption rates from a three-tier schedule to a two-tier schedule. Director Pederson indicated he has not yet prepared a resolution for rate adjustment, but expects to be prepared to present at the February meeting.

MOTION: N/A

ACTION: N/A

3. New Business:

A. Rate Increase, Resolution 20-01

DISCUSSION: The Board agrees to table a resolution on Rate Increases until the February meeting.

MOTION: N/A

ACTION: N/A

4. Financial Report, December 2019:

DISCUSSION: The Board and Staff review the financial reports. Director Pederson indicates that at eight months into the fiscal year, the target is 66.7% of the operational budget. We have thus far received 69% of projected revenue and have reached 76% of projected expenses. We are generally on budget, considering the large SCADA expense this fiscal year, which was planned to be expensed in FY 2018-2019.

MOTION: N/A

ACTION: N/A

5. Operations and Production Report

A. Field Operations Report

Chief Operator Burwell presents the report for December 2019:

- Due to power outage, hooked generators up at Jobs and Sawpit pump houses.
- Snow removal at office and all sites.
- Noticed Lovers tanks lousing water faster than normal between 11/28-12/3. On 12/3 while driving around the system looking for a leak/leaks, found and repaired ¾" poly service line at 618 Spring Dr. A tree grew around unknown meter (no house on property) then fell pulling out service line from meter nipple during snow storm on Thursday night 11/28. (est. loss 10,348 cubic feet).
- Repaired ¾" poly line to Lower Burnt Mill well 3. A tree fell ripping poly line apart.
- Tree branch fell on Edison service wires pulling weather head pole off panel at Middle Burnt Mill pump house. Remounted pole and replaced weather head with new.
- Top of tree broke off falling on Edison lines to panel at Lower Burnt Mill pulling weather head pole off panel. Remounted weather head pole to panel.
- Cut up two fallen trees at Lower Burnt Mill and cleared small trees and branches out of roadway to pump house.
- Post 48hr notices on Friday 12/13.
- Lock off's on Tuesday 12/17.
- Meter reading 12/17-12/19.
- Reinstalled meter and turned on 22074 Mockingbird. Account was brought back to current.
- Finished exercising system isolation valves.

- Replaced oil and filter in the Toyota.
- Marked out 10 Dig Alert tickets, 8 Edison replacing power poles and 2 for residents.
- All water samples taken for December and reported to State Water Resources Control Board reveal all samples taken are fine and under MCL.

CO Burwell is also following up on the SCADA Badger meters that should have arrived last month.

B. Production Report

Domestic production in December was 244,581 cubic-feet (42.3 gpm). CLAWA has been turned off since February 2019. Director Pederson reports we are at about 5% loss for the last billing period, including known losses.

6. Public Comment:

None.

7. Announcements:

A. Director Pederson stated the next Regular Meeting is tentatively scheduled for February 20, 2020 at 6:00 p.m.

Adjourn to Executive Session

MOTION: Director Flores motions to adjourn to executive session at 6:45 pm. Director Dobrescu seconds the motion.

ACTION: Motion approved upon unanimous vote.

8. Shareholder Matters:

A. Request for Reduction, acct# 12-812

DISCUSSION: The Board and Staff discuss the circumstances surrounding the request. It seems that the customer (renter) reported a problem early in the billing period, however the Staff member that took the call was unresponsive.

** Director Flores leaves the meeting at 7:03pm. A quorum remained.*

MOTION: Director Pederson motions to reduce the customer's last bill to the customer's historical average, without affecting the Shareholder's "one-time reduction" status. Director Jackson seconds the motion.

ACTION: Motion approved upon unanimous vote. Director Pederson Instructs OA Garcia to send a letter to the Shareholder explaining what has happened, and reminding a shut-off valve on the Shareholder's side of the meter is required by the Rules and Regulations of the Company.

9. Memberships Canceled/Issued:

MEMBERSHIP CANCELATION/ ISSUANCE, CHANGE IN OWNERSHIP

| Account: | Cert# Cancelled: | Cert# Issued: |
|-----------|------------------|---------------|
| 1. 7-97 | 8759A | 010890A |
| 2. 6-56 | 010360A | 010891A |
| 3. 11-231 | 010410A | 010892A |

DISCUSSION: Director Pederson provides discloser that account# 6-56 concerns transfer of membership resulting from sale of his property.
MOTION: Director Dobrescu motions to approve cancellation and issuance of Memberships associated with the accounts as listed. Director Jackson seconds the motion.
ACTION: Motion approved upon unanimous vote.

10. Personnel Matters:

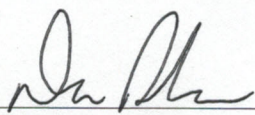
The Board discussed several personnel topics. There was no reportable action taken.

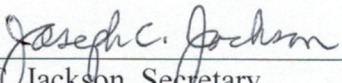
11. Legal Matters: N/A

12. Third Party Contracts: N/A

ADJOURNMENT

MOTION: Director Daniel motions to adjourn the Executive Session at 7:47pm. Director Pederson seconds the motion.
ACTION: The Meeting was adjourned upon unanimous vote.

Approved:  Date: 2/20/2020
Donald Pederson, President

Attest:  Date: 2/20/2020
Joseph C. Jackson, Secretary