

BOARD OF DIRECTORS

Meeting Minutes

January 18, 2023 6:00 PM.
Crestline Sanitation District, Meeting Room
24516 Lake Drive, Crestline, CA 92325

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

PRESENT: President: Gilbert Flores
Vice President: Donald Pederson
Treasurer: Daniel Dobrescu

ABSENT: Secretary: Joseph Jackson
Director: Erin Kafieh

STAFF PRESENT: Office Administrator: Rosemarie Garcia
Operations Manager: Nathan Burwell
Project Engineer: Steven Wood

SHAREHOLDERS PRESENT: None

MOTION: Director Flores motions to appoint Director Pederson as Secretary for this evening's business only. Director Dobrescu seconds the motion.

ACTION: Motion approved upon unanimous vote.

1. Consent Agenda:

- A. January 18, 2022 Agenda, Approval.
- B. November 16, 2023 Meeting Minutes, Approval

DISCUSSION: None

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

ACTION: Motion approved upon unanimous vote.

2. Old Business:

- A. Alternative Payment Options.

DISCUSSION: The Board and Staff discuss scope and costs of proposal from Frey Municipal Systems to provide internet and in-office bill pay with credit card, which

will be integrated with our existing billing software. The initial cost will be \$2,634 (including first year annual fees), and approximately \$715 per year annual hosting/maintenance fees. The fee to customer will be 3% per transaction for internet bill pay, which goes directly to Frey's third-party provider. There will be a 60-90 day implementation period.

MOTION: Director Flores motions to approve the system upgrade proposal for \$2,633.80. Director Dobrescu seconds the motion.

ACTION: Motion approved upon unanimous vote. Director Pederson instructs OA Garcia to find out if the Ebilling module is included, and the cost if not.

3. New Business:

A. Amended Bylaws.

DISCUSSION: The Board discusses additional amendments to the amended Bylaws approved in May. Director Pederson indicates that recording with the County has proved very difficult, but is not required unless we want to file a lien on property for delinquent assessments. Because we don't expect to ever need to file liens on property for delinquency, since our shut-off/cancelation policy prevents a balance ever becoming too high to recover, the "requirement" to record with the County (Sect-13.02) has been deleted. Also, the definition of Service Area (Sect-2.15) has been changed from a map of the service boundary back to the original description "...all that certain land area situate in the County of San Bernardino, California, described as, CEDARPINES PARK and CEDARPINES HIGHLANDS...".

MOTION: None.

ACTION: The Board agrees to put on future agenda for approval, at a time when Secretary Jackson is present and can sign the document.

4. Financial Report, December 2022:

DISCUSSION: The Board and Staff review the financial and reconciliation reports.

MOTION: N/A

ACTION: N/A

5. Operations and Production Report, December 2022:

A. Field Operations Report

- Cleaned around shop yard and placed boulders alongside of road by fire hydrant in front of shop to slow down water runoff coming down Church St.
- Replaced driveshaft u-joints on the Toyota.

- Potholed pumping line and listened for leak between Middle and Upper Burnt Mill sites. Isolated main line going down Knutzford Rd. Now no water loss out of Upper Burnt Mill tank. (Est. loss 8,289 ft³)
- Took dump trailer back to Sky Trailer and had support bar welded into frame for better support while dumping.
- Recycled the rest of metal at Ecology recycling and took used oil to Cal Fire at San Bernardino airport.
- Osborn Pipe and Supply delivered Upper and Lower tanks at shop.
- Met with and took well driller Sam Crum to potential sites for drilling new wells.
- Potholed service at 21846 Sawpit Canyon Rd. to find out what is needed for service restoration.
- Restocked chlorine at treatment sites.
- Repaired road, culvert and cleaned up around sites from weather at Middle and Lower Burnt Mill site.
- Performed pump maintenance on all pumps inside pumphouses.
- Turned off 1 customer, due to nonpayment.
- Repaired shop sink drain. Old drain was corroded and leaking.
- Starting to clean out storage container at shop.
- Found two customer meters turned on that were shut off and locked due to nonpayment.
- Repaired main line leak on El Valle Rd., damaged by County (Est. loss 1,631 ft³)
- Meter reading 12/20-12/27. Performed eight rereads. One final read.
- Post 16 five Day Notices due to non-payment.
- CLAWA turned up from 20gpm to 30gpm on the 15th, then turned down from 30gpm to 15gpm on the 30th.
- Marked/remarked seven USA Dig Alert tickets, six Edison and one CPMWC.
- All water samples taken for December and reported to State Water Resources Control Board reveal all samples taken are fine and under MCL.

B. Project Engineer Report, Steve Wood)

1. Shop Office Upgrades: 80% of the Office has been painted and the Carpet has been cleaned. Have received most ordered items from the list still but are still waiting for a few more. Security camera wires have been pulled and ran for the 3 new cameras we now have 7 cameras in and around the shop that are up and running.

2. County Gas Contract: A Fleet Management contract has been signed by President Flores, which will allow the Company to get gas and diesel at County Fuel Sites at a reduced rate.

3. New Well Development: Sam Crum Water Drilling surveyed potential sites on 12/9/2022 (Coonturn Upper Burnt Mill, Lower Burnt Mill, and the property on Devils Canyon). After meeting with Sam he thinks Devils Canyon property is a good site for a new well, just need to look into the property lines. Sam also thinks that Upper vertical #7 and Coonturn vertical #5 wells are good locations for replacement, possibly getting 20/25 GPM out of each well, going deeper and with larger diameter. Will have at least (3) bids for drilling of two wells in the next couple of weeks.

4. Abandoning of Upper Burnt #7 and possibly Coonturn #5: Working on a bid with Sam Crum to take out the County permit for the abandonment of wells, utilizing Sam's truck with trimi-pipe to pump the concrete down into the wells, and Company staff to perform most of the labor. We have a bid from Southern California Well Service for abandonment of Upper Burnt #7. Coonturn #5 would only be abandoned if a new well at that location is successful. As the bids come in for the new wells to be drilled, I'm asking the driller's to give us a price for abandonment of the two wells.

DISCUSSION: The Board and Staff discuss replacement of main on Knutzford Rd. to 4" or 6" diameter with at least one hydrant, possibly next fiscal year. OM Burwell reports that the main-line leak on El Valle was caused by the County CSA-18 scraping the road, the third instance of damage this year. CSA-18 continually scrapes dirt from the roadways every year but never adds dirt back, resulting in shallow and exposed main-lines. Director Flores will contact CSA-18 to request action to mitigate this repeated damage. OM Burwell reports that with finding the Mid Burnt and El Valle leaks, and with recent rains, CLAWA is currently turned off. Director Pederson reports we received the final service area facilities map from Webb with the completed Engineer's Report with all corrections made. Director Pederson instructs OA Garcia to ensure we are in compliance with the Indemnification and Insurance requirements associated with the County Fleet Management (fuel) contract.

B. Production Report

Domestic Production was 119,403 cubic-feet (20.7 gpm). Purchased water (CLAWA) was 157,208 cubic-feet (27.2 gpm), for a total of 276,611 cubic-feet (47.9 gpm) to the system.

6. Public Comment: None

7. Announcements:

Director Flores announces the next Board of Directors meeting is tentatively scheduled for February 15, 2023.

Adjourn to Executive Session

MOTION: Director Pederson motions to adjourn to executive session at 7:49pm. Director Dobrescu seconds the motion.

ACTION: Motion approved upon unanimous vote.

8. Shareholder Matters:

None

9. Memberships Canceled/Issued:

MEMBERSHIP CANCELATION/ ISSUANCE, CHANGE IN OWNERSHIP

Account:	Cert# Cancelled:	Cert# Issued:
1. 12-362	011073A	011089A
2. 12-382	009864A	011090A
3. 8-128	009861A	011091A
4. 4-58	010667A	011092A
5. 11-41	020460A	011093A
6. 4-44	009909A; 010615A	011094A

DISCUSSION: None

MOTION: Director Dobrescu motions to approve cancellation and issuance of Memberships associated with the accounts as listed. Director Flores seconds the motion.

ACTION: Motion approved upon unanimous vote.

10. Personnel Matters:

DISCUSSION: The Board discusses various employee matters, no reportable action.

MOTION: None

ACTION: None

11. Legal Matters:

DISCUSSION: The Board discusses legal opinions associated with the current suspension of new membership approvals, and potential for a moratorium on new service connections. The Company has no obligation to provide membership or service to non-members unless a will-serve has been already been approved, but an absolute moratorium on new service connections will require a public hearing prior to implementation. The Board generally agrees that current and anticipated conditions concerning supply justify continuing suspension of new memberships, but not a moratorium on new service connections at this time. Director Pederson suggests a formal resolution be approved outlining the suspension.

MOTION: None

ACTION: Director Pederson to write resolution.

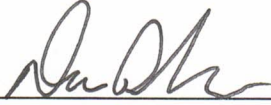
12. Third Party Contracts: N/A

ADJOURNMENT

MOTION: Director Flores motions to adjourn the Executive Session at 8:04pm.
Director Pederson seconds the motion.

ACTION: The Meeting was adjourned upon unanimous vote.

Approved:  Date: 2/15/23
Gilbert Flores, President

Attest:  Date: 2/15/2023
Joseph Jackson, Secretary
DONALD PEDERSON