

# *BOARD OF DIRECTORS*

## *Meeting Minutes*

January 17, 2019 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 6:06 PM. Director Flores leads the Pledge of Allegiance.

**PRESENT:** President: Donald Pederson  
Vice President: Gilbert Flores  
Treasurer: Daniel Dobrescu  
Secretary: Joseph Jackson  
Director: Eric Stone

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

**Audience Members:** None

### **1. Consent Agenda Items:**

- A. January 17, 2019 Agenda, Approval.
- B. November 15, 2018 Meeting Minutes, Approval. (There was no meeting in December, 2018)

**DISCUSSION:** N/A

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

**ACTION:** Motion approved upon unanimous vote.

### **2. Old Business:**

#### **A. By-Laws, General Update (status)**

**DISCUSSION:** Director Pederson reports that the attorney has not yet provided the first draft of revised By-Laws.

**MOTION:** N/A

**ACTION:** N/A

#### **B. Proposed Changes to Rules and Regulations, Share Cancellation Policy for Active Duty Personnel.**

**DISCUSSION:** Director Pederson presents two (2) changes to the R&R's, the second not being related to previous discussions concerning active duty military personnel. The Board reviews and discusses the proposed changes.



**1) Section-4.24 is added:**

*If a Shareholder anticipates an inability to pay any future fees or charges due to a prolonged absence (e.g. military deployment, extended hospital stay, etc.), the Shareholder must make arrangements for payment and/or discontinuation of service prior to the fees or charges becoming due. Upon request of the Shareholder prior to share cancellation, and upon approval of the Board, cancellation of shares may be delayed for extenuating circumstances.*

**2) Section-4.9 is amended to add (in red):**

*4.9 If a Shareholder is unable to pay a bill in full, a payment agreement can be requested for a term of up to 12-months. Once an agreement is signed, payments must be received as specified in the agreement for the delinquent amount, and all current bills must be paid in full upon receipt. If a payment is missed, the Shareholder's house will be posted with a 48-Hour Disconnection Notice, and a Hanger Posting Fee per Section 4.95 will be charged to the Shareholder's account. If the missed payment is not received within 48 hours of the posting, the water service will be terminated and the payment agreement becomes void. The delinquent account must be paid in full before service will be reinstated. **Only cash, cashier's check or money order will be accepted.***

**MOTION:** Director Flores moves to approve the changes as presented. Director Dobrescu seconds the motion.

**ACTION:** Motion passes by majority vote, Director Stone being in dissent.

**3. New Business:**

**A. Purchase of Treasury Bills (approval).**

**DISCUSSION:** The seventh \$10,000 T-bill was purchased at the December 31 auction date and the electronic confirmation of the request was provided in the Board book.

**MOTION:** Director Jackson motions that the eighth \$10,000 T-bill be purchased at the January 29 auction date, for a 52-week term. Second by Director Stone.

**ACTION:** Motion approved upon unanimous vote.

**B. Request for Service, APN # 0342-252-16-0-0000.**

**DISCUSSION:** The Board and Staff review the request.

**MOTION:** Director Stone moves for approval of the Request for Service. Director Dobrescu seconded.

**ACTION:** Motion approved upon unanimous vote.

**4. Financial Report, December 2018:**

**DISCUSSION:** The Board and Staff review the financial reports. Revenue is approximately 3% higher YTD than projected. Expenses are on track for the year.

**MOTION:** N/A

**ACTION:** N/A

**5. Operations Report, November and December 2018:**

**A. Field Operations Report**

CO Nathan Burwell presented the following report:

**1) November 2018**

- Installed 4X4 posts for SCADA upgrade electrical boxes at Coonturn tank and sump tank.
- Welded weldolet on Coonturn tank for transducer.
- Reinforced Lovers gate. Lock and chain have been getting cut multiple times.
  
- Meters replaced 6. Hard to read numbers and 1 not reading at all.



- CLAWA turned down from 30gpm to 15gpm on the 18th.
- Winterized all sites. Transducers, open vents at pump houses and exposed pipes.
- Welded weldolets on Upper Burnt Mill and Lower Burnt Mill tanks for SCADA transducers and alarm switch. Middle Burnt Mill tank already has weldolet.
- Trenched from pump house to well #7 to tank at Upper Burnt Mill.
- Trenched from pump house to tank at Middle Burnt Mill for scada conduit.
- Trenched from pump house to sump tank at Lower Burnt Mill for scada conduit.
- Backfilled trenches at Jobs and Sawpit.
- Replaced overflow screens for tanks at Coonturn, Upper Burnt Mill, Mid Burnt Mill and Lower Burnt Mill.
- Installed meter and meter box at 21875 Linden Way.
- Fixed small leak in pipe at Sawpit Well #3.
- Oil and filter service on Ford truck.
- Fixed weather drain pipe at Sawpit. Had to replace 2' of pipe that had a hole in it. Noticed when trenching for scada conduit.
- Repaired small hole in service line at 22298 Pine Dr.
- All water samples taken for November and reported to State Water Resources Control Board reveal all samples taken are fine and under MCL.

## 2) December 2018:

- Removed old galvanized service line and installed new service line and meter at 22131 Cedarpines Drive.
- Leak occurred while digging up main line at 22131 Cedarpines Drive. Emergency shut down main line on Cedarpines Drive for 2hrs. Flushed all dirty water and air out dead end fire hydrant. approximately 25,000 gallons loss.
- Serviced both Jobs Peak and CLAWA generators.
- Hung 48hr notices on the 13<sup>th</sup>.
- Meter reading from the 17<sup>th</sup>-21<sup>st</sup>.
- Total residential meters changed out: 2
- Replaced broken angle meter stop at 22378 Mojave River Rd.
- Concreted 4X4 posts in at Upper, Middle and Lower Burnt Mill sites for scada systems conduit boxes.
- Center Electric installed Mission Communications (Scada) at Upper, Middle and lower Burnt Mill sites.
- 123 TCP samples were taken for the last quarter for 2018.
- All water samples taken for December and reported to State Water Resources Control Board reveal all samples taken are fine and under MCL.

**DISCUSSION:** CO Burwell indicates all SCADA installation is basically complete, with a few minor items left to troubleshoot. Director Flores reports that the high mileage truck is now ready to be put up for sale.

## B. Production Report

1) Domestic production in November was 116,476 cubic-feet (20.2 gpm), purchased water from CLAWA was 110,187 cubic-feet (19.1 gpm), resulting in 226,663 cubic-feet (39.2 gpm) total to system.



2) Domestic production in December was 116,838 cubic-feet (20.2 gpm), purchased water from CLAWA was 59,158 cubic-feet (10.2 gpm), resulting in 175,996 cubic-feet (30.5 gpm) total to system. This is a significant reduction in CLAWA purchase from previous months, as expected.

**6. Public Comment:** None

**7. Announcements:**

- A. Director Pederson reports that he and OA Garcia met with staff from CRWA on 12/14/18 to accommodate a "needs assessment", in order to determine which of their no-cost services we may benefit from. We've also since received verification that we do qualify as a Disadvantaged Community, and are therefore eligible for Prop-1 funding to help with larger projects. Director Pederson will work with CRWA to complete the grant application.
- B. Director Pederson instructs Staff to begin budget planning so that a first draft can be ready not later than the March board meeting.
- C. Next Regular Meeting is tentatively scheduled for February 21, 2019 at 6:00 p.m.

**Adjourn to Executive Session**

**MOTION:** Director Pederson motions to adjourn to executive session at 7:16 pm. Director Stone seconds the motion.

**ACTION:** Motion approved upon unanimous vote.

**8. Shareholder Matters:**

**A. Request for reduction in consumption charges, Account#2-692.**

**DISCUSSION:** The Board reviews and discusses the request. It's generally agreed the request does not satisfy the requirements for a one-time reduction, and otherwise does not present any compelling reason for a reduction of charges

**MOTION:** Director Pederson motions to deny the request. Second by Director Dobrescu.

**ACTION:** Motion approved upon unanimous vote.

*-CO Burwell is excused*

**9. Shares Canceled/Issued:**

**SHARE CANCELLATION/ISSUANCE, CHANGE IN OWNERSHIP**

<u>Account:</u>	<u>Cert# Cancelled:</u>	<u>Cert# Issued:</u>
1. 5-85	009879A	010841A
2. 12-522	010598A	010843A
3. 7-187	009619A	010844A
4. 5-265	008920A	010845A
5. 7-157	010448A	010846A
6. 5-435	010117A	010847A

**SHARES REISSUED FOR CONTIGUOUS PROPERTY**

<u>Account:</u>	<u>Cert# Cancelled:</u>	<u>Cert# Issued:</u>
1. 6-316	010707A	010842A



**MOTION:** Director Pederson motions to approve cancellation and issuance of Shares associated with the accounts as listed. Director Stone seconds the motion.

**ACTION:** Motion approved upon unanimous vote.

**SHARE ISSUANCE, NEW ACCOUNT**

<u>Account:</u>	<u>Cert# Cancelled:</u>	<u>Cert# Issued:</u>
1. 6-736	010848A	

**MOTION:** Director Flores motions to approve. Director Jackson seconds.

**ACTION:** Motion approved upon unanimous vote.

**SHARE CANCELLATION, VIOLATION OF R & R'S**

<u>Account:</u>	<u>Cert# Cancelled:</u>	<u>Cert# Issued:</u>
1. 99-1731	9153A	
2. 99-3660	6685A	

**MOTION:** Director Pederson motions to approve share cancellation. Director Flores seconds.

**ACTION:** Motion passes by majority vote, Director Stone being in dissent.

*-OA Garcia is excused*

**10. Personnel Matters:**

**A. SIMPLE IRA, Cost of implementation.**

Director Jackson reports that fees to implement Simple IRA's for employees are usually \$10 each employee per year. Bank of America does provide a retirement plan service through an affiliate company, Merrill Edge (Merrill Lynch). However, it does not appear to have the "local" advantages that may be had through the other two companies; Thrivent in Blue Jay and Edward Jones in San Dimas/Lake Arrowhead. Director Pederson will investigate further.

**11. Legal Matters:**

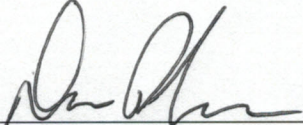
The Board continues discussion of the potential for future litigation, as a property owner outside our service area has drilled a vertical well in close proximity to our Coon Turn well #5, which might affect our well's production. There is no reportable action.

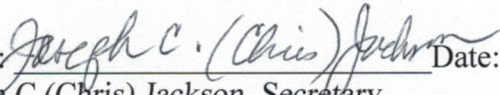
**12. Third Party Contracts: N/A**

**ADJOURNMENT**

**MOTION:** Director Pederson motions to adjourn the Executive Session. Director Dobrescu seconds the motion.

**ACTION:** The Meeting was adjourned upon unanimous vote at 8:02 pm.

Approved:  Date: 2/26/2019  
Donald Pederson, President

Attest:  Date: 2/26/2019  
Joseph C (Chris) Jackson, Secretary