

BOARD OF DIRECTORS

Meeting Minutes

Revision-A

September 19, 2019 6:00 PM.
Crestline Sanitation District, Meeting Room

CALL TO ORDER: Director Pederson calls the meeting to order at 6:01 PM.

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

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

Audience Members: None

Director Flores led the Pledge of Allegiance.

1. Election of Directors

DISCUSSION: Being there is (1) vacant Director position remaining, as no majority vote was had at the August regular meeting of the Board for the open position, an election by the remaining Director shall be held. One application for Board service was submitted prior to the annual meeting (James Hanania).

MOTION: Director Flores nominates Eric Stone to serve as Director for a (3) year term. No other nominations are heard.

ACTION: Director Stone is elected upon unanimous vote.

2. Consent Agenda Items:

- A. September 19, 2019 Agenda, Approval.
- B. The August 15, 2019 Minutes (not available for approval).

DISCUSSION: N/A

MOTION: Director Dobrescu motions to approve the September 19, 2019 Agenda as presented. Director Flores seconds the motion.

ACTION: Motion approved upon unanimous vote.

3. Old Business:

A. By-Laws, General Update and Petition (review)

DISCUSSION: The attorney working with the Board on this matter has not responded to Director Pederson's request for a meeting to review; Director Pederson will follow-up with the attorney. The Board discussed options if the attorney continues to be non-responsive.

MOTION: N/A

ACTION: N/A

4. New Business:

A. Rate Study (preliminary review)

DISCUSSION: The Board reviewed the Rate Study from Bartle Wells Associates, which recommends a 5.5% increase in membership fee, meter charge and consumption charges each year for the next five years, in order to align with inflation, provide for long term capital expenses and maintain appropriate capital reserves. The Board agrees there should be at least (2) open meeting discussions concerning the rate study prior to making any decisions. The Company will notify shareholders at the next billing cycle (October).

MOTION: N/A

ACTION: N/A

5. Financial Report, August 2019:

DISCUSSION: The Board and Staff review the financial reports: the balance sheet and bank reconciliation documents. Income and expense is as planned for this point in the fiscal year. The Company continues to purchase \$20,000 Treasury bills each month. Director Pederson indicates he will provide an updated report of transactions next month.

MOTION: N/A

ACTION: N/A

6. Operations and Production Reports, August 2019

A. Field Operations Report (Revision-A)

- Superior Tanks Solutions finished exterior painting on Lovers tanks 1 and 2.
- Located and marked out all valve lids for San Bernardino County repaving roads on Jobs Peak, Lakeland and Peak Circle North/South.
- Replaced 4 broken meter lids found during meter reading.
- Replaced a total of 9 meters found during meter reading.
- Set poles in Concrete and reinstalled fence and gate at Upper Burnt Mill.
- Weed abatement at Upper and Lower Burnt Mill.
- Leak reported near Coonturn site. Investigated and found a leaking welded joint from Coonturn vertical well #5 to tank. Repaired and confirmed no leak. (Loss 102.26 cubic feet).
- Oil + filter service on Toyota.
- Replaced 2'' piping, check valves and shut off valves for booster pumps inside Middle Burnt Mill pump house.
- Repaired small main line leak in front of 21727 Devils Canyon Rd. (Loss 133.68 cubic feet)

- Temp patched cut out in road in front of 21727 evils Canyon Rd.
- Completed tri annually Lead and Copper testing.
- Removed metal fittings from chlorine injector lines at Sawpit and Coonturn pump houses. Replaced with PVC fittings.
- Installed heat tape and wrapped sample points on tanks with transducers.
- Replaced old metal screens with new on tank overflows, vents and air vacs.
- Quinn Cat performed service on the backhoe.
- Henkel & McCoy rented construction meter for work to be done for Edison. (Usage 50,000 gallons)
- Marked out 29 Dig Alert tickets for Edison power pole replacement.
- All water samples taken for September and reported to State Water Resources Control Board reveal all samples taken are fine and under MCL.

DISCUSSION: CO Burwell noted that in bullet point-1, this well cannot be rehabilitated, therefore he is exploring the possibility of a new well in the same site.

B. Production Report

Domestic production in August was 302,224 cubic-feet (52.3 gpm). CLAWA has been turned off since February 2019. Director Pederson reports that calculated water loss was about 7% for the last 2-month period and about 2% for the last 6-months.

7. Public Comment:

None

8. Announcements:

A. Director Pederson stated the next Regular Meeting is tentatively scheduled for October 17, 2019 at 6:00 p.m.

Adjourn to Executive Session

MOTION: Director Dobrescu motions to adjourn to executive session at 7:15 pm. Director Flores seconds the motion.

ACTION: Motion approved upon unanimous vote.

9. Shareholder Matters:

A. Request for Reduction account #5-515

MOTION: Director Dobrescu moved to approve the one-time reduction. Director Flores seconds.

ACTION: Motion approved.

-Chief Operator Burwell is excused

10. Memberships Canceled/Issued:

MEMBERSHIP CANCELATION/ ISSUANCE, CHANGE IN OWNERSHIP

Account:	Cert# Cancelled:	Cert# Issued:
1. 6-286	010507A; 010161A	010868A
2. 1-630	009983A	010871A
3. 6-606	009766A	010872A
4. 6-36	009918A	010873A
5. 2-132	010420A	010874A
6. 11-211	010810A	010876A

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

ACTION: Motion approved upon unanimous vote.

11. Personnel Matters:

A. Temp-to-Hire, Office Assistant

DISCUSSION: The Board discusses the necessity for hiring an additional office assistant. This position would be part-time, approximately 20 hours per week. The Board discussed the goal of having two administrative staff persons in the office during most office hours. This position is budgeted for the current fiscal year.

MOTION: Director Pederson motions to approve. Director Flores seconds.

ACTION: Motion approved upon unanimous vote.

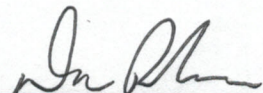
12. Legal Matters: N/A

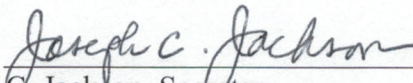
13. Third Party Contracts: N/A

ADJOURNMENT

MOTION: Director Stone motions to adjourn the Executive Session at 7:33pm. Director Dobrescu seconds the motion.

ACTION: The Meeting was adjourned upon unanimous vote.

Approved:  Date: 1/16/2020
Donald Pederson, President

Attest:  Date: 1/16/2020
Joseph C. Jackson, Secretary