

Minutes of the Meeting
of the Board of Directors of
Crestview Mutual Water Company
May 4, 2023

1. Call to Order – Executive Session at 5:12 p.m.

2. Executive Closed Session

The Board in Executive Closed Session discussed the following matters:

- Personnel Matters
- Fox Canyon Groundwater Basin Adjudication Litigation

3. Adjournment of Executive Session

On a motion made by Director Sol Chooljian, seconded by Director Laurie Bennett, and approved unanimously, the Executive Session was adjourned at 5:52 p.m.

1. Convened Public Meeting

The meeting was called to order by President Frank Mezzatesta on Thursday, May 4, 2023, at 6:07 p.m. for an in-person meeting at the Fairfield Marriott Inn, 4444 Central Ave, Camarillo, CA 93010.

Attendance and Quorum

Directors Present: Frank Mezzatesta – President
 Alma Quezada – Vice President
 Roger Whitlock – Secretary
 Laurie Bennett – Treasurer
 Sol Chooljian – Director

Directors Absent: None

Staff/Counsel Present: Robert Eranio – Consulting General Manager
 Durrell McAdoo – Water Treatment Operator III

2. Shareholder’s Public Forum

Katie Teague distributed a 4-page document outlining how to obtain a quorum for the Annual Meeting, and concerns she has with the proposed 2023 Proxy. Katie offered the idea of a quorum challenge where the first 350 respondents to return their Proxy for the Annual Meeting would be eligible for a cash reward. Specifically, Katie expressed concern regarding the language on the Proxy notating “The Board of Directors Recommends a Vote “For” each Candidate Nominated by the Board”. Since this specific language is not in the Corporation’s Bylaws, she thinks it needs to

be removed. Katie stated she is against hiring an Outside Elections Officer; she feels the money would be better spent on Company website design, and that Crestview should start charging for shareholder information requests.

Steven Muro thanked the Board for including the P&L Year to Year and P & L Month to Month Comparison financial reports and asked a question about Account 6025 – Professional Fees. Director Laurie Bennett, Treasurer responded that the account is over budget for the year due to the Adjudication lawsuit and review of the annual meeting election packet.

Dave Silkey asked Director Frank Mezzatesta, President if he speaks for the entirety of the Board. Dave believes there are three criteria to determine the best location for the new well. Dave considers the decision to not pursue a well site at the Las Posas Country Club premature. Dave specifically asked, “how would you rank these 3 items: 1- quantity & quality of water, 2- expediency, and #3 – cost”. Director Mezzatesta responded that the Shareholder Advisory process will wrap up shortly, with a spreadsheet presented to the Board. The Board members will review the findings, and the Board is going to have a discussion in front of all shareholders. Each Board Member will have their own methodology as to where the location will be selected. Director Mezzatesta stated for himself, it’s not just about price; Crestview is not going to pick a location just because it is the cheapest.

3. Approval of Minutes

The minutes of the Board of Directors March 22, 2023 meeting were presented.

On a motion made by Director Alma Quezada and seconded by Director Laurie Bennett, the Board approved with four ayes and one abstention the following:

Resolved, that the minutes of the Board of Directors March 22, 2023 meeting be accepted as amended.

The minutes of the Executive Session of the March 22, 2023 meeting were presented.

On a motion made by Director Roger Whitlock and seconded by Director Alma Quezada, the Board approved with four ayes and one abstention the following:

Resolved, that the minutes of the Executive Session March 22, 2023 meeting be accepted as presented.

4. Ad Hoc Working Document Report Well Siting Process

Action item – Direct Ad Hoc Committee to present a Final Report of the Well Siting Process by May 25, 2023

Director Alma Quezada reported that the Ad Hoc Committee and Shareholder Advisory Committee continue to meet on a regular basis to develop a matrix of relative advantages and disadvantages of each location, but 6 potential locations continue to remain for Board consideration.

On a motion made by Director Laurie Bennett and seconded by Director Roger Whitlock, the Board unanimously approved the following:

Resolved, the Ad Hoc Committee will present their Final Report at the May 25, 2023 Board Meeting.

5. Direction for Procuring Election Official

Action item – Staff recommends authorization to accept an Election Official for an amount not to exceed \$12,500

Consulting General Manager Robert Eranio reported that Staff received 5 proposals to act as the election official, ranging in price from \$3,900 to \$12,500 in cost, but Mr. Eranio has not had sufficient time to review, check references, or ask questions to recommend a preferred vendor. Staff is requesting authority to award up to \$12,500, subject to Staff performing due diligence.

Director Roger Whitlock commented that he feels Staff should continue being the election officials, and Director Laurie Bennett agreed that she would like to keep the process in-house, but due to Staffing issues, Director Bennett thinks it would be better to hire out the process.

Director Alma Quezada asked about the amount of time Staff normally spends in completing the Annual Shareholder election and developing the Annual shareholder packets, and an estimated total cost incurred, including Staff time. Mr. Eranio estimated the total cost incurred by the Company is approximately \$7,000 each year.

On a Motion made by Director Sol Chooljian and seconded by Director Laurie Bennett, the Board approved with 4 ayes and 1 nay the following:

Resolved, that Staff be authorized to award an election official for the Annual Shareholders Meeting not to exceed \$7,500.

INFORMATION ONLY

6. President’s Report – Information Only

Director Frank Mezzatesta, President, informed those in attendance that Office Manager Lauri Marino has returned to work effective May 1, 2023. In the April water bill, there will be a President’s Letter and a Nomination Form for those shareholders interested in running for the Board. Director Mezzatesta reported that a shareholder has volunteered to find a company to “turnkey” the operation for monthly Board Meetings to be available as a “webcast”, and if one is identified, it would be placed on the Agenda for a Board discussion and vote.

7. Treasurer's Report – Information Only

Director Laurie Bennett, Treasurer, reported that water sales continue to be significantly below budget as a direct result of all the rain, leading the Company to report a <\$317,000> deficit through the first 5 months of the fiscal year, but the Company is in a good financial position due to significant cash reserves and increasing water sales now that winter is over.

8. Monthly Operations Report – Information Only

Water System Status

Durrell McAdoo, Water Treatment Operator III, reported that Well #4 is operational again and providing water to the system. Crestview has purchased a new utility truck that is being outfitted with a bumper crane to replace the existing 2004 Dodge ¾ ton that Staff is currently using.

9. General Manager's Report – Information Only

Consulting General Manager Robert Eranio reported that for the water year, Camarillo has received 23.5" of rain, and that United Water has recharged approximately 45,000 AcFt of water. United Water is spreading the same amount in 1 day (750 AcFt / day) that Crestview sells in 1 year. Recharge rates are decreasing due to mounding of the water under the recharge basins. Mr. Eranio reported that new employee Timothy Lewsadder will start on May 8, 2023, as a Journeyman Water System Operator, and has been in the water industry for approximately 6 years. Mr. Eranio reported that a sinkhole has developed in the back yard between 325 & 333 Valley Vista Drive. The sinkhole measures approximately 32' long, 12' deep and 12 ft wide, and from all indications, the Well #3 / Reservoir #2 transfer main is broken within the hole.

10. Adjournment

On a motion made by Director Sol Chooljian, seconded by Director Laurie Bennett, and approved unanimously, the regular meeting was adjourned at 7:22 p.m.

Next Meeting

The next scheduled meeting of the Board of Directors will be held on Thursday, May 25, 2023 at 6:00 p.m.

Shareholders in Attendance:

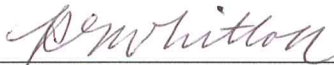
Chittum, Roger
Coe-Recharte, Kim
Melton, Sandy
Muro, Steven
Recharte, Luis
Rieger, Jill
Rieger, Ron
Silkey, David
Teague, Katie
Toler, Siena

Submitted by,



Robert Eranio, Consulting General Manager

Approved by,



Roger Whitlock, Secretary



Frank Mezzatesta, President