

Minutes of the Meeting
of the Board of Directors of
Crestview Mutual Water
February 24, 2022

Convened Meeting

The meeting was called to order by Vice President Roger Whitlock on Thursday, February 24, 2022, at 4:02 p.m. via Zoom video conference.

Attendance and Quorum

Directors Present: Roger Whitlock – Vice President / Secretary
 Doug Off – Treasurer
 Alma Quezada – Director
 Laurie Bennett - Director

Directors Absent: Sol Chooljian –President

Staff/Counsel Present: Robert Eranio – Consulting General Manager
 Lauri Marino – Office Manager
 Jane Usher – Corporate Counsel: Musick, Peeler & Garrett

Shareholder’s Public Forum

Roger Chittum, Christine Cohen, Steven Muro, Craig Reston, Dave Stephenson, and Barbara Whatley were present to observe the meeting. A question arose regarding Corporate Governance, and whether it is appropriate that this topic be considered and discussed in Executive Session. Discussion ensued.

Approval of Minutes

The minutes of the January 27, 2022 meeting were presented. Discussion ensued. On a motion made by Doug Off and seconded by Alma Quezada, the Board approved with four ayes the following:

Resolved, that the minutes of the meeting of the Board of Directors of January 27, 2022 be accepted as amended.

The minutes of the Executive Session of the meeting of January 27, 2022 were presented. On a motion made by Laurie Bennett and seconded by Doug Off, the Board approved with four ayes the following:

Resolved, that the minutes of the Executive Session of the meeting of the Board of Directors of January 27, 2022 be accepted as amended.

Well #4 Pump Lowering Report

Robert Eranio presented the findings from experts contracted by Crestview. The well column is not straight. The bowls that push the water out of the ground have etching into their sides due to being in contact with the well casing and vibration. The bore hole is not universally out of alignment, but has sustained movement over the years. There is debris at the bottom of the well. There is limited space for a new pump to be installed; if installed, the well casing will touch the sides of the pump causing the bearings to eventually wear out. Another option for Board consideration is a submersible pump, with the motor at the bottom so that the piping can be maneuvered to fit within the well column. Discussion ensued about water quality.

The Treatment Plant may need to be brought back online if water quality issues exist. Zone specific water quality testing was discussed. Further discussion ensued about the long-term viability of Well #4 with any of the options outlined in this report. The pump may cause vibration within the well casing. Zone-specific water quality testing is recommended, and it could be used for other nearby new well locations. Considerable discussion ensued. Staff was directed to obtain pricing and timing To complete zone-specific testing, and report back to the Board within seven days.

General Manager's Report

Weather is not normal due to lack of rain. Snowpack is at 52% of normal. Residents are looking at a 15% reduction in state water allocation; the goal is a 25% reduction. There has been no improvement in the local water table. Crestview shareholders have increased demands to 750,000 gallons/day. Water sales for February look to be at least 15% above budget, which will eliminate conservation efforts realized in December.

Ramona Drain Line Relocation Project – The County of Ventura has approved the water line at an 11-inch depth, and approved Crestview's design. Materials have been ordered. Project time is 4 days for Crestview's portion. Currently, it is expected that only one house will have their water supply impacted by the project. Arrangements have been made for temporary water supply. There are limitations on road closure; the County is handling traffic control. No date has been set yet for the project. There is now a substantial savings over the County's original plan. The project was redesigned so that Crestview's water line will remain on top of the County's storm water drainage box.

Well #8 Renderings – Robert Eranio presented renderings presented by Crestview's subcontractors.

Monthly Financial Review

The Board reviewed the financial statements. The cash balance on hand has decreased since this time last year, but there is still a \$2.6 million cash balance. Unscheduled repairs are higher than

expected. Water purchases now have a monthly recurring charge of \$7,500 due to taking water during peak times in the summer.

Adjournment

On a motion made by Doug Off, seconded by Laurie Bennett, approved unanimously, the regular meeting was adjourned at 5:35 p.m.

Next Meeting

Discussion ensued regarding the numerous action items in place at this time. The next Board meeting was tentatively set for March 24, 2022 at 4:00 p.m.; an announcement will be placed on the Company website.

Submitted by,



Lauri Marino, Office Manager

Approved by,

Roger Whitlock, Vice President / Secretary

Doug Off, Treasurer