

Minutes of the Meeting
of the Board of Directors of
Crestview Mutual Water Company
August 29, 2023

1. Convened Public Meeting

The meeting was called to order by President Frank Mezzatesta on Tuesday, August 29, 2023, at 5:31 p.m. for an in-person meeting at the Hampton Inn, 50 W. Daily Drive, Camarillo, CA 93010.

Attendance and Quorum

Directors Present: Frank Mezzatesta – President
Alma Quezada – Vice President
Laurie Bennett – Treasurer
Steven Muro – Secretary (Incoming)
Dave Stephenson – Director (Incoming)
Sol Chooljian – Director (Outgoing)

Directors Absent: Roger Whitlock – Secretary (Outgoing)

Staff/Counsel Present: Durrell McAdoo – Interim General Manager
Lauri Marino – Office Manager

2. Annual Meeting Election Results

Director Frank Mezzatesta gave a report on the election results from the Annual Meeting held on Wednesday, August 16, 2023. Director Mezzatesta stated that he reached out to Directors Sol Chooljian and Roger Whitlock to ask that they allow some of their votes to be pooled to re-elect Directors Alma Quezada, Laurie Bennett, and himself, which they graciously allowed. Only about half of the shares were held by Crestview proxies. Director Mezzatesta reported on the detailed process utilized to complete balloting, with the emphasis on shareholder voting privacy. The election inspector validated a statistical sample of proxy ballots, made the final election result computation and provided her final report to Crestview. Director Sol Chooljian stated that to erase any doubts, the majority of the former Board of Directors present should accept the results of the election. On a motion made by Director Laurie Bennett and seconded by Director Alma Quezada, the Board approved with four ayes the following:

Resolved, that the Board of Directors accept the results of Crestview Mutual Water Company's 2023 Annual Meeting Election.

Director Mezzatesta thanked Sol Chooljian for his time, dedication, and many years of service to the Company. Director Bennett also thanked Mr. Chooljian for his mentorship, expressed her sincere appreciation and stated her goals are to carry on what he started.

3. Election of Officers

Discussion ensued regarding the positions to be held by the newly elected Board. Directors Steven Muro and Dave Stephenson stated that they were looking to learn as new members. On a motion made by Director Dave Stephenson and seconded by Director Laurie Bennett, the Board unanimously approved the following:

Resolved, that the positions of the re-elected Board of Directors remain the same, with Steven Muro holding the position of Secretary, and Dave Stephenson holding the position of Director.

4. Shareholder's Public Forum

Mike Rolls inquired if recent Hurricane Hilary added significantly to United Water's spreading grounds in Saticoy.

Roger Chittum congratulated incoming Board members and thanked the outgoing members; he stated it appears that the members will have a good working relationship. John Melton asked about the status of the new water wells; Director Mezzatesta stated that project status will be further addressed later in the meeting.

Christopher Ono stated that if the project is delayed, how Crestview will be strategically prepared, and noted that it would be prudent to plan two years down the road to take into account all associated possibilities and risks.

5. Approval of Minutes

The minutes of the regular meetings and Executive Sessions of the Board of Directors of July 20, 2023 and July 25, 2023 were presented.

On a motion made by Director Alma Quezada and seconded by Director Laurie Bennett, the Board approved with three ayes (Directors Mezzatesta, Quezada, and Bennett) and two abstentions (Directors Muro and Stephenson) the following:

Resolved, that the minutes of the regular meetings and the Executive Sessions of the Board of Directors of July 20, 2023 and July 25, 2023, be accepted as presented.

INFORMATION ONLY

6. Treasurer's Report – Information Only

Director Laurie Bennett, Treasurer, reported that the Company remains in a good financial position even though the Company has not met the year-to-date budget for water sales. She noted that the loan from the Community Bank of Santa Maria has recently been paid off, and the Company has in excess of \$1.3 million in cash reserves; these funds are fully FDIC-insured. Discussion ensued regarding financial

statements, cash flow forecasts, and the upcoming annual budget preparation. A question arose about the necessity for a more formal Capital Improvement Plan to look into the replacement of aging water system infrastructure; discussion ensued.

7. Interim General Manager's Operations Report – Information Only

Interim General Manager Durrell McAdoo reported Crestview was not properly notified of some recent major projects that took place within the district, but Staff responded as necessary to complete repairs. Mr. McAdoo reported that recent rains have impacted Crestview's water sales, but more usage by Company shareholders is expected as temperatures rise. A question was asked about Crestview's GMA use-it-or-lose-it pumping allocation of 717 acre-feet per year, and if the Company has ever pumped less. Mr. McAdoo reported that with conservation and heavy rainfall, it is possible that Crestview will not pump the full allocation. Questions were asked about the capacity of Crestview's reservoirs, which hold a total of 2.5 million gallons when full, and how long that stored water would last on a hot, dry summer day. Discussion ensued.

8. President's Report – Information Only

Director Frank Mezzatesta, President, reported on a letter Crestview recently received from the Las Posas Hills HOA, and that he was surprised that the HOA board sent a letter representing all of their membership. The CC&Rs of the HOA have been modified to allow for the drilling of water wells. Director Mezzatesta reported that the well site selection process for Well #7 is currently under way; the current focus will be getting the new Board members informed. Six sites remain on the list; the Board will next look to obtain opinions from outside experts to narrow the sites down to one or two. This process is very important, and proper time must be devoted. A question arose about who on the Board will look into funding for well construction; discussion ensued about obtaining possible funding from the California State Revolving Fund or other low-interest funding.

A Development Advisory Committee meeting for Well #8 will be held via Zoom by the City of Camarillo on September 26, 2023.

9. Adjournment

On a motion made by Director Laurie Bennett, seconded by Director Steven Muro, and approved unanimously, the regular meeting was adjourned at 6:44 p.m.

Call to Order – Executive Session at 6:55 p.m.

1. Executive Closed Session

The Board in Executive Closed Session discussed the following matters:

- Personnel Matters – A motion was made and unanimously approved to accept the pay scale of Calleguas Municipal Water District for Crestview’s Operations Staff.
- Well #7 Siting Review Workshop – No decisions were made; nothing to report.

2. Adjournment of Executive Session

On a motion made by Director Steven Muro, seconded by Director Dave Stephenson, and approved unanimously, the Executive Session was adjourned at 8:11 p.m.

Shareholders in Attendance:

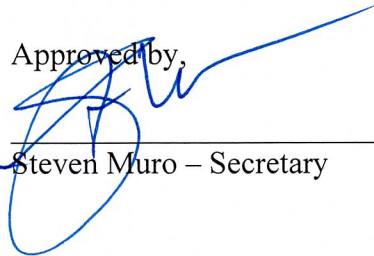
Chittum, Roger
Cohen, Christine
Derr, Michael
Hester, Heidi
Melton, John
Ono, Christopher
Rolls, Mike

Submitted by,



Lauri Marino – Office Manager

Approved by,



Steven Muro – Secretary



Frank Mezzatesta – President