

**Minutes of the Special Meeting**  
of the Board of Directors of  
Crestview Mutual Water Company  
November 14, 2023

**1. Convened Public Meeting**

The meeting was called to order by President Frank Mezzatesta on Tuesday, November 14, 2023, at 5:37 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  
  Dave Stephenson – Director

Directors Absent:                 None

Staff/Counsel Present:         Durrell McAdoo – Interim General Manager  
  Ann DeMartini –Business Consultant  
  Lauri Marino – Office Manager

**2. Shareholder’s Public Forum**

Roger Chittum stated that he had e-mailed a list of questions regarding the draft budget to the office. Mr. Chittum’s questions will be addressed during the discussion pertaining to the budget later in the meeting.

Christine Cohen asked if funds are allocated to any given expense item, will the money be spent regardless of need. Brief discussion ensued; funds are not spent unless there is an actual necessity.

**3. Draft Fiscal Year 2024 Annual Budget**

The fiscal year 2024 was presented. Each line item and category were discussed. Business Consultant Ann DeMartini stated that conservative water sales are forecasted for FY024 due to weather. Water sales will be forecasted at 600 acre-feet. Crestview is allocated to pump 717 acre-feet of water by the Fox Canyon GMA. An increase from Southern California Edison will cause pumping expenses to increase by approximately 4%. Purification expense will increase by 3%. An additional \$2,000 was added to seminars and training for Crestview’s continuing education expense. An additional \$5,000 was added for the legal expenses pertaining to the annual meeting and election. General counsel expense was set at \$65,000 for the year. Further discussion ensued regarding capital reserves. The excess of revenues over expenses was set at \$450,000 less non-cash expenses at \$265,557. The capital expense for generators was removed; Staff will submit a written report for later consideration. After these

expenses are integrated, water sales will be recalculated. The draft budget will be discussed again at the November 28, 2023 regular board meeting.

#### **4. Water Rates**

Director Frank Mezzatesta stated that water rates should be examined separate from the budget process. Discussion ensued; the need for emergency funds and capital reserves was noted. Due to forecasted inclement weather at the beginning of the fiscal year, now may not be the best time to spend money on capital infrastructure. It was noted that capital reserves need to be funded for Well #7 and possibly eliminate the need for a loan. Further discussion ensued about securing a loaned generator in case of an emergency. Crestview's historic water pumping in prior years was discussed; currently, 717 acre-feet can be pumped, with a final roll-over of 130 acre-feet. Crestview's water rates were compared to other local water districts; considerable discussion ensued. It was determined that water rates must be equitable and appropriate. Ann DeMartini will look into consultants to complete a water rate analysis on Crestview's behalf. Further discussion ensued. On a motion made by Director Alma Quezada and seconded by Director Laurie Bennett, the Board unanimously approved the following:

**Resolved**, that Crestview Mutual Water Company will form an ad hoc committee to obtain three competitive bids from water rate consultants, and select one consultant to conduct a water rate analysis and present a full report to the Board.

#### **5. Adjournment**

On a motion made by Director Steven Muro, seconded by Director Alma Quezada, and approved unanimously, the regular meeting was adjourned at 7:41 p.m.

#### **Call to Order – Executive Session at 7:55 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 grant merit pay raises to Office Manager Lauri Marino and Water Treatment Operator Timothy Lewsadder.
- Well #7 Site Selection – A motion was made and unanimously approved to contract an engineering study for the site of Well #7.
- Third-Party Contracts – No decisions were made; nothing to report.

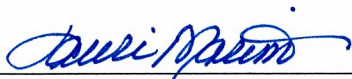
##### **2. Adjournment of Executive Session**

On a motion made by Director Laurie Bennett, seconded by Director Alma Quezada, and approved unanimously, the Executive Session was adjourned at 9:46 p.m.

**Shareholders in Attendance:**

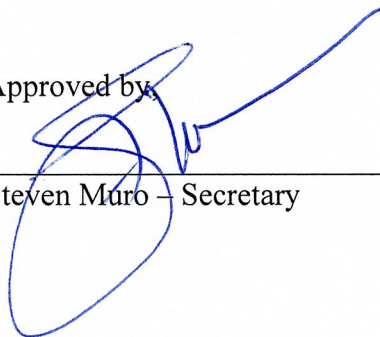
Chittum, Roger  
Cohen, Christine  
Derr, Michael  
Ono, Christopher  
Rolls, Mike

Submitted by,



\_\_\_\_\_  
Lauri Marino – Office Manager

Approved by,



\_\_\_\_\_  
Steven Muro – Secretary



\_\_\_\_\_  
Frank Mezzatesta – President