

**Minutes of the Meeting**  
of the Board of Directors of  
Crestview Mutual Water Company  
September 26, 2023

**1. Convened Public Meeting**

The meeting was called to order by President Frank Mezzatesta on Tuesday, September 26, 2023, at 5:34 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  
  Lauri Marino – Office Manager

**2. Shareholder’s Public Forum**

Mike Rolls inquired if recent rainfall added significantly to United Water’s spreading grounds in Saticoy; Interim General Manager Durrell McAdoo responded that it did not.

Christopher Ono complimented Durrell McAdoo and Water Treatment Operator Tim Lewsadder for their recent timely handling of a water leak on La Crescenta Drive.

**3. Approval of Minutes**

The minutes of the Annual Shareholders Meeting of August 16, 2023 were presented. Discussion ensued; the approval of the minutes of annual meetings are historically approved at the following year’s annual meeting and most shareholders are accustomed to that practice. Director Frank Mezzatesta noted that at the annual meeting, he stated that he intended to have the annual minutes approved at a subsequent regular Board meeting. Further discussion ensued; it was suggested that approval for the annual meeting minutes should be noted in the next shareholder communication, with the benefits of doing so explained. On a motion made by Director Laurie Bennett and seconded by Director Steven Muro, the Board unanimously approved the following:

**Resolved**, that the minutes of the Annual Meeting held on August 16, 2023, be tabled for approval at the next regular Board meeting.

The minutes of the regular meeting and Executive Session of the Board of Directors of August 29, 2023 were presented. On a motion made by Director Laurie Bennett and seconded by Director Alma Quezada, the Board unanimously approved the following:

**Resolved**, that the minutes of the regular meeting and the Executive Session of the Board of Directors of August 29, 2023, be accepted as presented.

#### **4. Draft Fiscal Year 2024 Annual Budget**

Interim General Manager Durrell McAdoo presented a draft budget for fiscal year 2024. He noted that some expenses have changed, while others have not. The additional salary and expenses associated with hiring an additional water treatment operator is not yet incorporated into the budget model. Mr. McAdoo reported that many of operational expenses are directly tied to projected water sales. It was noted that for the current fiscal year, water sales are at 50% of last year's projected forecast due to rain. Discussion ensued regarding pumping allocation and the cost to buy imported water. It was reported that historically, projected water sales are based upon a four-year average. Since water sales currently are half of what was previously forecasted, perhaps reduced sales should be the new "normal" and should be reflected in the budget. It was noted that the forecast of water sales is always a best guess. Further discussion ensued regarding imported water, regulatory compliance within the Fox Canyon GMA, and capital improvement projects. The Board stated that a careful look should be taken at cash reserves and cash flow; Director Laurie Bennett reported that 18 months of reserves on hand would be ideal, and that the Company has a line of credit in place for emergencies. The draft budget will be discussed again at the October board meeting.

#### **5. Shareholder Committees and Meeting Alternatives – Information Only**

Director Steven Muro reported that in speaking to shareholders, he received input that the Board can gain a lot from engaging shareholders in committees to advise the Board on various topics, specifically:

- Finance and Reporting Oversight
- Strategic Planning – Objectives and Initiatives
- Shareholder Communications – Customer Relationship Management
- Bylaw Reform
- Information Technology/Business Intelligence

It was mentioned that if a couple of interested shareholders could participate in each committee, led by one Board member, that would help improve decision making and transparency. The committees would report their findings back to the full Board. Discussion ensued regarding an overarching umbrella of how the committees should operate and what the desired outcome would be. On a motion made by Director Dave Stephenson and seconded by Director Alma Quezada, the Board unanimously approved the following:

**Resolved**, that Crestview Mutual Water Company will move forward with establishing shareholder committees related to Finance and Oversight, Strategic Planning, Communications, Bylaw Reform, and Information Technology.



Discussion ensued regarding alternatives to in-person Board meetings; over the past year there have been requests for meetings to be made available on Zoom. A review of current technology was suggested to allow a Zoom-like feature for shareholders; other options for providing meeting-based content to shareholders in various electronic forms were discussed. This discussion point was rolled back for further discussion to the shareholder communication committee under development.

## **INFORMATION ONLY**

### **6. Treasurer's Report – Information Only**

Director Laurie Bennett, Treasurer, reported that the Company has in excess of \$1.4 million in cash reserves; she noted that the goal would be \$2.5 million in liquid cash reserves on hand. Discussion ensued regarding the annual budget preparation and whether the budget for legal expenses could be reduced. It was noted that the monitoring of the Las Posas Basin Adjudication case may have some trailing expenses, along with the update of Crestview's Employee Handbook. A review of Crestview's water rate structure is the next step in the budget process.

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

Interim General Manager Durrell McAdoo reported that Crestview's Well #6 is operating seven hours per day, with Well #4 operating at 5 hours per day with no issues at the moment. Mr. McAdoo reported that shareholder conservation efforts are evident. The valve exchange at La Marina Drive and Crestview Avenue has been completed. Mr. McAdoo reported that water valves within the district will be exercised under routine maintenance in the coming months. This effort will identify older infrastructure within the system so that Staff can proactively set components for replacement.

### **8. President's Report – Information Only**

Director Frank Mezzatesta, President, reported that Well #7 site selection will continue to be discussed in several upcoming meetings. The budget review will continue prior to final acceptance. Director Mezzatesta reported that recently, personnel issues have taken up a lot of time.

Regarding Well #8, the City of Camarillo's Development Advisory Committee will hold a meeting shortly to consider the project's environmental review and negative declaration; discussion ensued about the City's timeline. Interested parties can sign up to see the public materials with the City of Camarillo's Planning Commission.

### **9. Adjournment**

On a motion made by Director Alma Quezada, seconded by Director Laurie Bennett, and approved unanimously, the regular meeting was adjourned at 7:07 p.m.

**Call to Order – Executive Session at 7:30 p.m.**

**1. Executive Closed Session**

The Board in Executive Closed Session discussed the following matters:

- Personnel Matters – Discussion ensued regarding the employment offer made for Garrett Torres to join the Company as a Water Treatment Operator.
- Well #7 Siting Review Workshop – No decisions were made; nothing to report.
- Third-Party Contracts – 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 8:55 p.m.

**Shareholders in Attendance:**

Chittum, Roger  
Coe, Kimberly  
Cohen, Christine  
Crosby, Craig  
Derr, Michael  
Landa, Mara  
Melton, John  
Melton, Sandy  
Ono, Christopher  
Rolls, Mike


Submitted by,



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Lauri Marino – Office Manager

Approved by,

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Steven Muro – Secretary



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Frank Mezzatesta – President