

**Minutes of the Meeting**  
Of the Board of Directors of  
Crestview Mutual Water Company  
February 27, 2018

**Convened Meeting**

The meeting was called to order by President Norm Fahnoe on Tuesday, February 27, 2018, at 3:30 p.m. at the Corporation office.

**Attendance and Quorum**

Directors Present:     Norm Fahnoe – President  
                              Sol Chooljian – Vice President  
                              Doug Off – Treasurer

Directors Absent:     Roger Whitlock – Secretary  
                              Steven Gill – Director

Others Present:       Robert Eranio – General Manager  
                              Jim Lingl – Shareholder

**Shareholder's Public Forum**

Jim Lingl (Estaban Drive) presented his resume for consideration to be a Board Member. Jim requested that his resume be included in the Annual Shareholders packet as a candidate for the Board. The Board agreed with the request and directed Staff to include a brief resume in the first annual meeting mailing for Shareholder consideration and voting. Jim left the meeting at 4:00 p.m.

**Approval of Minutes**

On a motion made by Doug Off and seconded by Sol Chooljian, the Board approved with three ayes the following:

**Resolved**, that the minutes of the meeting of the Board of Directors of January 23, 2018 be accepted as amended.

**Monthly Financial Review**

The financial statements for January 2018 were presented and discussed by the Board. All significant variances compared to budget were reviewed and explained by Staff. Sol asked a question about Account 4018 – Scheduled Repairs for January and the reason for the variance. Robert Eranio reported that the reason is a timing issue with the delivery of Smart Meters arriving in December instead of January.

Lindsay and Company's Draft Financial Statements were reviewed and discussed. A math error in the Current Assets Section was corrected prior to the meeting. Norm Fahnoe requested that a minor language change to Note 7 on page 11 be forwarded to Lindsay for revision. Crestview remains in sound financial condition. The Board directed Staff to have copies of the final report available at the Annual Shareholders Meeting for shareholder review.

### **General Manager's Report**

Calleguas Intertie – Robert Eranio presented Amendment #1 for Board consideration. A question arose regarding the procedure that would be followed if Crestview did not accept Calleguas' proposed language changes. Robert reported that the original Agreement has a no-fault cancellation clause that either side can invoke if the terms become too restrictive. Sol Chooljian asked if the proposed amendment and original agreement had been reviewed by legal counsel. Robert reported that research would need to be completed prior to answering that question due to the length of time that has lapsed since the original agreement was accepted. The proposed Amendment was tabled until the next regularly scheduled Board Meeting.

Crestview Ranch LLC – Robert reported he has had multiple discussions with the new developer, and they have already including the upsizing of the waterline in front of Lot #1 and #2 from the original 3" to 10" in anticipation of the well being constructed. Robert has already contacted the City to begin the permit process and will be meeting the developer onsite to mark the proposed construction footprint within the next month.

Las Posas Basin Users Group – The LPUG allocation plan is still on schedule to be accepted by the Fox Canyon GMA and be effective as of October 1, 2018. When the plan is accepted, Crestview will have a starting allocation of 700AcFt/ year from October 1 to September 30 of each year.

Saticoy Country Club – A document request has been forwarded to the City of Ventura; the City has agreed to supply the requested documents. Once the documents to arrive at Crestview, Robert will proceed with the agreed-upon analysis.

Las Posas Basin Key Wells – Robert presented a report for the Board's consideration about petitioning to be a "Key Well" for the Grimes Canyon Aquifer. Considerable discussion ensued about the positive and negative factors that could arise from such an action. The Board directed Robert to continue to study the topic and revisit this issue in April when the Board has a chance to digest the voluminous materials and deliberate on the requested action.

### **Executive Session**

The Board went into Executive Session at 4:43 p.m. to discuss Personnel Issues.

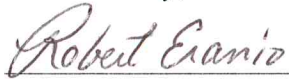
**Adjournment**

On a motion made by Doug Off, seconded by Sol Chooljian, and approved with three ayes, the meeting was adjourned at 5:21 p.m.

**Next Meeting**


The next meeting of the Board of Directors will be the Annual Shareholders Meeting, to be held at the end of March at the Las Posas Country Club.

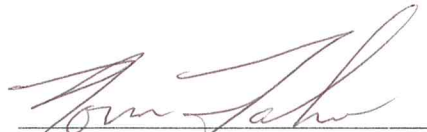
Submitted by,



Robert Eranio, Consulting General Manager

Approved by,

  
Doug Off, Treasurer

  
Norm Fahnoe, President