Minutes of the Meeting
of the Board of Directors of
Crestview Mutual Water Company
May 27, 2021

Convened Meeting

The meeting was called to order by Vice President Roger Whitlock on Thursday, May 27, 2021, at 4:00 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 Gregory Patterson – Corporate Counsel: Musick, Peeler & Garrett

Shareholder's Public Forum

Roger Chittum, Christine Cohen, Craig Reston, Mike Rolls, and The FMH Trust were present to observe the meeting. A question arose regarding when the various reports from outside consultants would be completed; it was reported that the reports are not complete and are in draft form at the moment. Meetings held via Zoom videoconference and their ability to be recorded were discussed. Gregory Patterson noted that this issue needs to be tabled, as further research is required. A notification from Roger Chittum regarding his prior requests was discussed. Gregory Patterson responded that the Company's Bylaws allow for the inspection of accounting records and shareholder listing for any purpose reasonably related to the shareholder's interests. There are legal disclosure and privacy issues to consider, and shareholders must be treated equally to avoid liability; legal obligations must be followed. A question arose about water availability during PSPS events. Robert Eranio reported that there is a generator at the Treatment Plant to supply Crestview's Zone 3B during such events. The Company has approximately 36 hours' worth of water in storage during normal peak demands; water availability cannot be guaranteed at all times due to our inability to operate production facilities during power outages. Well #7's generator will be a benefit; it will allow a critical water supply to the district during PSPS events. Discussion ensued regarding finding reasonable solutions to the objections of neighboring shareholders. Correspondence from Mark Pachowicz was discussed; Staff was directed to send historical paperwork from his customer file. Discussion ensued regarding posting the monthly board packet on Crestview's website. This topic will be agendized for the next meeting.

Approval of Minutes

The minutes of the March 25, 2021 meeting were presented. 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 March 25, 2021 be accepted as presented.

The minutes of the Executive Session of the meeting of March 25, 2021 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 March 25, 2021 be accepted as presented.

Mission Statement

Robert Eranio presented his Staff report to the Board. If the Board agrees with his recommendation, Staff will add language to the policy. Discussion ensued. Doug Off stated his objection to including environmentally sensitive language for any business, as it cannot always be attained. Gregory Patterson noted that there are a series of statutory rules and regulations regarding avoiding the waste of water in California. This topic will be continued and agendized for the next meeting.

General Manager's Report

Well #4 – System demand exceeded the capabilities of Well #6. Well #4 has been turned on; one week later, the cooling fan for the soft start needed replacement and the new equipment has been installed. The schematics on the panel will be updated. The water table for Well #4 is falling quickly. If it continues, it is estimated that Well #4 will have sufficient water until early August. Well #6 has 150 feet of water above the pump; the designs for both wells are different. Imported water cannot be mixed with well water due to disinfection methods. Discussion ensued.

Well #7 and Well #8 Bid Documents – Robert Eranio asked for and was granted permission to release bid documents. Crestview has received the discharge permit for both Well #7 and Well #8. Laurie Bennett asked about the conditions for the contractors. Robert Eranio will follow Company practices for obtaining bids. Contractors will be required to meet standards set forth by the County. Further discussion ensued.

Monthly Financial Review

Treasurer Doug Off reported that the Company is in sound financial condition. Current assets are $2.7 million; liabilities are $1.4 million.

Adjournment

On a motion made by Doug Off, seconded by Alma Quezada, and approved with four ayes, the regular meeting was adjourned at 5:36 p.m.

Next Meeting

The next meeting of the Board of Directors will be held on Thursday, June 24, 2021 at 4:00 p.m.

Submitted by,

Lauri Marino, Office Manager

Approved by,

Roger Whitlock, Vice President / Secretary

Doug Off, Treasurer