



BOARD OF DIRECTORS

MEETING MINUTES – REGULAR MEETING

Date: DECEMBER 17, 2009 Time: 7:00 P.M.

Location: CRESTLINE VILLAGE WATER DISTRICT

CALL TO ORDER:

President Dahlstrom called the meeting to order at 7:02 P.M.

PRESENT:

President Perry Dahlstrom
 Vice President Ronald Albright
 Secretary Wilfred Steiner
 Director Donald Pederson

ABSENT:

Director Howard McLeod

CONSULTANTS:

General Manager - Sonny Gowan
 Administrative Consultant - Rhiannon Gowan

STAFF:

Jani Haynes

AUDIENCE MEMBERS: See Sign in Sheet Attached Exhibit "A"

ANNOUNCEMENT:

Mrs. Jill Milette of the United States Census 2010, presented to the audience, the opportunities for employment with the US Census 2010. Mrs. Milette also provided hand outs.

APPROVAL OF ADDENDUM # 1 (October 27, 2009 Regular Board Meeting)***REGULAR BOARD OF DIRECTORS MEETING MINUTES***

APPROVE ADDENDUM # 1 FOR THE OCTOBER 27, 2009, REGULAR BOARD OF DIRECTORS MEETING MINUTES. This addendum corrects the Production Report Lines 3 & 4 and replaces the word AUGUST, with the word SEPTEMBER.

MOTION: Director Steiner made a motion to approve Addendum # 1 for the October 27, 2009 Regular Board meeting minutes. Director Pederson seconded the motion.

ACTION: The motion made by Director Steiner and seconded by Director Pederson to approve Addendum # 1 for the October 27, 2009 Regular Board meeting minutes, as submitted, was approved.

APPROVAL OF MINUTES***ANNUAL SHAREHOLDERS MEETING MINUTES***

APPROVE THE JULY 25, 2009 ANNUAL SHAREHOLDERS MEETING MINUTES.

MOTION: Director Steiner made a motion to approve the July 25, 2009 Annual Shareholders meeting minutes. Director Albright seconded the motion.

ACTION: The motion made by Director Steiner and seconded by Director Albright to approve the July 25, 2009 Annual Shareholders meeting minutes, as submitted, was approved. Director Pederson abstained.

REGULAR BOARD OF DIRECTORS MEETING MINUTES

APPROVE THE NOVEMBER 17, 2009 REGULAR BOARD OF DIRECTORS MEETING MINUTES.

MOTION: Director Steiner made a motion to approve the November 17, 2009 Regular Board of Directors Meeting Minutes. Director Albright seconded the motion.

DISCUSSION: A discussion was had on the following items: Tool inventory and Public Comment Cards. A description was given as to the use of Public Comment Cards.

ACTION: The motion made by Director Steiner and seconded by Director Albright to accept the November 17, 2009 Regular Board of Directors Meeting Minutes as submitted, was approved.

FINANCIAL REPORTS

NOVEMBER 2009 FINANCIAL REPORT

APPROVE THE NOVEMBER 2009, FINANCIAL REPORT AS SUBMITTED.

DISCUSSION: A discussion was had on the following items: Main Plant Account Headers, Employee Receivables, Arrears Accounts, and Past Due Balance Collections.

MOTION: Director Steiner made a motion to approve the November 2009 Financial Report as submitted. Director Albright seconded the motion.

DISCUSSION: A discussion was had on the following item: The RUSD loan interest and how it is split between the two fiscal years.

ACTION: The motion made by Director Steiner and seconded by Director Albright to accept the November 2009 Financial Report as submitted, was approved.

PUBLIC COMMENT

PUBLIC COMMENT WAS CONDUCTED BY PUBLIC COMMENT CARDS SUBMITTED

- Cheryl Turpin – Shareholder
 Subject – The Crestline Village Water District had the acquisition proposal for Cedarpines Park Mutual Water Company on their November 24, 2009 Agenda. What was the result of the agenda item.
 Answer – Director Pederson reported that Mr. Drew of Crestline Village Water District, would prepare a response to Cedarpines Park Mutual Water District, as stated in the Crestline Village Water District meeting minutes.
- Fred Turpin – Shareholder
 Subject – The Company is in violation of the By-Laws. Mr. Turpin indicated that the By-Laws state that a Board Member could not be an Officer of the Company.
 Answer – Director Dahlstrom stated that Mr. Turpin misinterpreted the By-Laws. Director Steiner further elaborated that the By-Laws do not state that a Board Member could not be an officer.
- Fred Turpin – Shareholder
 Subject – Director McLeod should be removed from the Board because of his absence.
 Answer – Director Dahlstrom stated that he was aware of Director McLeod’s absence and the reasons for Director McLeod’s absence.

- Cheryl Turpin – Shareholder
Subject – 21650 Ballenger, possible illegal water system connection. Mrs. Turpin indicated that this property was for sale and indicated that water was available. This property is outside our service area and could not get water from CPPMWC. Answer – Director Dahlstrom verified that this location is out of the CPPMWC service area. Director Dahlstrom also indicated that there was no known water service to this location from CPPMWC. Director Dahlstrom instructed General Manager Sonny Gowan, to inform the listing agent that water for this location is not available from CPPMWC. Mrs. Turpin supplied the listing agent information.

REPORTS

OPERATIONS

Production Reports for November 2009

General Manager, Sonny Gowan provided the following totals for November 2009:

TOTAL MONTHLY SYSTEM PRODUCTION:	1,528,396 gallons or 35.4 gallons per minute.
TOTAL PURCHASED WATER TO THE SYSTEM:	828,900 gallons or 19.2 gallons per minute.
TOTAL WATER TO THE SYSTEM IN NOVEMBER 2009:	2,357,296 gallons or 54.6 gallons per minute.
TOTAL SYSTEM STORAGE AS OF NOVEMBER 30, 2009:	84.86 %

General Manager, Sonny Gowan provided the following information to Board:

- We have had power outages and unbalanced current at the Burnt Mill pump stations, and the Jobs Peak locations.
- The road had washed out to the Lower Burnt Mill pump station and had to be repaired.
- The Board had requested a tire quote from Linders Tires to accompany the other tire quotes for the Ford F-350. Linders Tires had recommended a different tire than we had been quoted. They had recommended a tire that the Forest Service uses. This was a better quality tire for the terrain and less expensive than the previously quoted tires.

OFFICE REORGANIZATION UPDATE

Administrative Consultant, Rhiannon Gowan reported that the new installment billing module has been added to the software. Customers are now being transferred from payment plans. Customer accounts are being updated with additional information available in the new software updates.

OLD BUSINESS

Director Dahlstrom indicated that there had been no changes in old business and that there was no review or discussion necessary.

1. **CLAWA CONNECTION STATUS – (Financial Hold)**
2. **WATER STORAGE TANK MAINTENANCE-STATUS & INSPECTION PROPOSALS – (Financial Hold)**
3. **CANYON VISTA - (No Further Discussion, Legal Issue)**
4. **SAWPIT STORAGE TANK SITE – STATUS UPDATE - (Financial Hold)**

NEW BUSINESS

1. COMPANY LIABILITY INSURANCE

There was a discussion on the Commercial Liability quotes presented. We had requested quotes from three agencies. We received quotes from two of the three agencies. Jordan Insurance quoted on our existing policy, Goodwin Insurance quoted on an upgraded policy, options for additional coverage, and financing. Silverstone Insurance did not quote on the policy.

After discussion, the Board of Directors, agreed to accept the Commercial Liability Policy presented by Goodwin Insurance and upgrade the policy to \$ 4,000,000 per claim and \$ 6,000,000 aggregate. The Board of Directors also agreed to accept the financing and payment plan option presented by Goodwin Insurance.

MOTION: Director Steiner made a motion to approve the Goodwin Insurance quote for Commercial liability Insurance with coverage amounts of \$ 4,000,000 per claim and \$ 6,000,000 aggregate at a rate of \$ 15,096.00, including the financing and payment plan. Director Albright seconded the motion.

ACTION: The motion made by Director Steiner and seconded by Director Albright to accept the Commercial Liability Policy as selected, was approved.

2. RATE RAISE INFORMATIONAL UPDATE

Director Pederson presented a hand out of a rate increase proposal. This hand out illustrated three different options for a rate raise, examples of fees associated with each option under different water usage scenarios, and proposed revenue increases.

Director Pederson explained the hand out, the degree of risk associated with each option, and the proposed increase in revenue. During Director Pederson's presentation there were numerous discussions with audience participation, in regards to the rate raise options, revenues, reserves, debt service, and operating expenses.

3. SCHEDULE CHANGE OF REGULAR BOARD MEETINGS

Director Dahlstrom requested that the Regular Board Meetings be moved from the third Tuesday of each month to the fourth Tuesday or the third Thursday of each month. Consensus of the Board of Directors was that the third Thursday would be the best option. The January 2010 Regular Board of Directors Meeting was scheduled for Thursday, January 21, 2010, at the Crestline Village Water District – Board Room.

MEETING SCHEDULE

The next regular scheduled Meeting of the Board of Directors of Cedarpines Park Mutual Water Company is Thursday, January 21, 2010 at 7:00 p.m. at the Crestline Village Water District Board Room, 777 Cottonwood Drive, Crestline, CA. 92325.

ADJOURNMENT

Director Steiner made a motion to adjourn the December 17, 2009, Regular Board of Directors Meeting. Director Albright seconded the motion, which was approved. The meeting was adjourned at 9:47 PM.

Approved As Is: _____ **Date:** _____

Perry Dahlstrom, President

Approved As Corrected: _____ **Date:** _____

Perry Dahlstrom, President

Reviewed By: _____ **Date:** _____

Wilfred Steiner, Secretary