



BOARD OF DIRECTORS

MEETING MINUTES – REGULAR MEETING

Date: July 25, 2009 Time: 10:00 A.M.

Location: Cedarpines Park Community Center

CALL TO ORDER:

President Dahlstrom called the meeting to order at 10:25 A.M.

PRESENT:

President Perry Dahlstrom, Vice President Ronald Albright, Secretary Wilfred Steiner, Treasurer Howard McLeod, Director Robert Friedman

CONSULTANTS:

General Manager Sonny Gowan,
Administrative Consultant-Rhiannon Gowan,

AUDIENCE MEMBERS: Maureen Mann, Pat Marley, Steven Calvert

REVIEW OF PROXY COUNT:

Secretary Wilfred Steiner reviewed and submitted his findings of the shares represented by proxy, for the Annual Shareholders meeting. Secretary Steiner reported the following:

The proxy count for the Annual Shareholders Meeting was 373 shares represented. This represents approximately 8.5% of the shares outstanding. Secretary Steiner indicated that insufficient shareholder proxies were submitted by the due date, to represent a quorum for the Annual Shareholders Meeting. Secretary Steiner followed by stating that with the proxy count, it would be necessary for Shareholders to represent the balance of shares necessary for a quorum, in order to conduct Shareholder at the Annual Shareholders Meeting.

President Dahlstrom stated that if there were not enough shares represented for a quorum, the Annual Shareholders Meeting would be held for review, and that Shareholder business would not be conducted.

RATE RASES:

A brief discussion pursued as to a rate raise for the Cedarpines Park Mutual Water Company.

MARCH 15, 2009, SPECIAL BOARD OF DIRECTORS MEETING

THE MARCH 15, 2009, SPECIAL BOARD OF DIRECTORS MEETING WAS CONDUCTED AS AN INFORMATION ONLY MEETING. NO ACTION WAS TAKEN AT THIS MEETING.

ACTION: Director Steiner made a motion to approve the March 15, 2009 Special Board Meeting Minutes. Director Friedman seconded the motion, which was approved.

APRIL 18, 2009, SPECIAL BOARD OF DIRECTORS MEETING

THE APRIL 18, 2009, SPECIAL BOARD OF DIRECTORS MEETING WAS CONDUCTED AS A INFORMATION ONLY MEETING.

Signatures were signed out of place.

ACTION: Director Friedman made a motion to ratify and approve the April 18, 2009 Special Board Meeting Minutes. Director Albright seconded the motion, which was approved.

Director Steiner Abstained.

APRIL 21, 2009, REGULAR BOARD OF DIRECTORS MEETING

REVIEW OF THE APRIL 21, 2009, REGULAR BOARD OF DIRECTORS MEETING MINUTES.

The minutes of the April 21, 2009 Regular Board Meeting were reviewed by the Board of Directors. The following corrections were requested:

- Include the previous aged trial balance which indicated the outstanding past due amounts as of March 2009, in exhibit 3.
- Correct the title of Mr. John Bradford of CSA 18.

Action: Director Howard McLeod made a motion to accept the April 21, 2009 minutes as corrected, Director Friedman seconded the motion, which was approved.

Director Steiner Abstained.

MAY 16, 2009, SPECIAL BOARD OF DIRECTORS MEETING

THE MAY 16, 2009, SPECIAL BOARD OF DIRECTORS MEETING WAS CONDUCTED AS A INFORMATION ONLY MEETING. NO ACTION WAS TAKEN AT THIS MEETING.

ACTION: Director McLeod made a motion to approve the May 16, 2009 Special Board Meeting Minutes. Director Albright seconded the motion, which was approved.

Director Steiner Abstained.

PUBLIC COMMENT

Mr. Pat Marley, Cedarpines Park resident, requested that notice be posted for all meetings of the Cedarpines Park Mutual Water Company.

Mr. Steven Calvert, shareholder, questioned the review of his letter to the Board of Directors. This letter was in regards to his bill. Mr. Calvert stated that he was on a fixed income, and had made arrangements with previous administration to make his payment monthly and he never incurred a late fee. A discussion pursued in regards to Mr. Calvert's situation for making payments. Additional discussion followed as to the billing software used by Cedarpines Park Mutual Water Company (CPPMWC), and the modules available for a level payment plan. Director McLeod explained that it would take approximately 8 months to a year to get the current software in order. Mr. Calvert was also informed of the existing payment plan used by CPPMWC.

Mrs. Maureen Mann, Shareholder, expressed her appreciation for the efforts on the new management team.

FINANCIAL REPORTS

A brief discussion was held in regards to the financials, and the process which is necessary to correct the previous errors. Also discussed was the process of rebuilding the software which is currently in progress.

Additional discussions were held during the Financial Report on company stocks, the process and or difference between forfeited, transferred, and canceled shares.

Director Friedman recommended that additional accounts be set up to include the following:

- General Account
- Capitol Account
- Reserve RUS Account
- Current RUS Account

Director Dahlstrom elaborated that he had instructed management to set up the chart of accounts in conjunction with the PUC chart of accounts for water utilities. Additional accounts could be added in needed in the future.

Director Dahlstrom stated that the May 2009, and the June 2009 Financials would be presented at a future date for approval.

NO ACTION TAKEN

REPORTS

OPERATIONS

Production Reports for May and June 2009

During the review of the May and June 2009 production reports, Director Dahlstrom indicated that he liked the new format of the production reports. Director Dahlstrom also requested that future reports include total gallons per minute to the system which would include production and purchased water.

- General Manager Sonny Gowan will update the production report to include total gallons per minute for production and purchased water.

At the request of Director Albright, the Financials were again discussed. Rate codes, services, and abbreviations were questioned and explained by Administrative Consultant Rhiannon Gowan.

A copy of the Trial Balance, as of July, 25, 2009, was handed out and reviewed.

Director Dahlstrom requested a list of the Rate Codes be provided at a future date.

An additional discussion on rate raises was then conducted.

OLD BUSINESS

Director Dahlstrom indicated that there were no changes in old business and that it would be carried over until the next meeting.

Director Dahlstrom then indicated that he would like an update on Old Business Item # 8, Board of Directors Water Shares.

Director Dahlstrom questioned the status of Howard McLeod's shares. Administrative Consultant Rhiannon Gowan informed Director Dahlstrom that Mr. McLeod had 16 shares, 6 shares were purchased during fiscal year 08-09, and 4 additional shares were purchased during fiscal year 09-10, bringing his total to 16 shares. The share cost to Mr. McLeod was recalculated and the correct amount was paid in full.

A discussion then followed on item # 3, Canyon Vista.

The topic of this discussion was the status of the Canyon Vista project, and status of the property for sale.

Director Steiner suggested that a letter be sent to the realtor listing the Canyon Vista property to inform them of the current status of the Canyon Vista project. This letter would indicate that water service would not be available at the Canyon Vista location until the current water main and water service installations were completed and approved by CPPMWC.

Director Albright recommended that CPPMWC file a lien against the Canyon Vista property to recover expenses incurred by CPPMWC, and to correct the installation to CPPMWC standards.

Director Steiner agreed to produce a letter for the realtor, and to be posted at the Canyon Vista location, as a representative of CPPMWC.

ACTION: Director Steiner made a motion to approve letter preparation, posting, and distribution to the realtor. Director Albright seconded the motion, which was approved.

1. CLAWA CONNECTION STATUS

2. WATER STORAGE TANK MAINTENANCE-STATUS & INSPECTION PROPOSALS

3. CANYON VISTA

4. SAWPIT STORAGE TANK SITE-STATUS UPDATE

5. BENNETT EASEMENT

6. COMMUNITY PARK WATER SERVICE

7. CHURCH STREET PROPERTY

8. BOARD OF DIRECTORS WATER SHARES

NEW BUSINESS

1. OFFICE & FIELD REORGANIZATION UPDATE
2. REDUCTION WATER BILL REQUESTS

ADJOURNMENT

Director Dahlstrom requested a motion to adjourn the meeting. The motion was made, seconded and carried. The meeting was adjourned at 12:14 P.M.

MEETING SCHEDULE

The next regular scheduled Meeting of the Board of Directors of Cedarpines Park Mutual Water Company is August 18, 2009 at 7:00 p.m. at the Cedarpines Park Community Center in Cedarpines Park, CA.

Approved As Is: _____ Date: _____

Perry Dahlstrom, President

Approved As Corrected: _____ Date: _____

Perry Dahlstrom, President

Reviewed By: _____ Date: _____

Wilfred Steiner, Secretary