

BOARD OF DIRECTORS
MEETING MINUTES – REGULAR MEETING

Date: August 18, 2011 Time: 7:00 PM.

Location: CRESTLINE VILLAGE WATER DISTRICT

CALL TO ORDER: President Dahlstrom called the meeting to order at 7:00 PM

PRESENT: President, Perry Dahlstrom
Vice President, Ronald Albright
Secretary, Wilfred Steiner
Treasurer, Donald Pederson
Director, Paul Hartman

STAFF: Accountant – Angela Forder

CONSULTANTS: General Manager – Sonny Gowan
Administrative Consultant – Rhiannon Gowan

AUDIENCE MEMBERS: See Attached Exhibit "A"

PUBLIC COMMENT

PUBLIC COMMENT CARDS:

1. Shareholder Ed Von Pingle submitted a public comment card, asking why he had paid for 5-shares, while having only 4-lots.

DISCUSSION: The Board explained the Company By-Laws require one (1) share for each "lot" owned, with the definition of a "lot" being 3000 square feet. Many lots require more than 1-share.

ACTION: GM Gowan to verify the area of Mr. Von Pingle's property.

2. Shareholder Jim Morrison submitted a public comment card (no subject).

DISCUSSION: Mr. Morrison asked if Director Albright has purchased any additional shares for his contiguous property. President Dahlstrom explained that the Company has not yet been able to define a general policy for the purchase of easements within a well's zone of influence, and that the Company would settle Director Albright's share issue when that has been accomplished.

ACTION: None

3. Shareholder John Mays submitted a public comment card, wanting to discuss a letter he had sent to the Board.

DISCUSSION: Mr. Mays suggested the Company seek better public relations, and look for other sources of income, unrelated to water.

ACTION: None

4. Shareholder Felix Esparza submitted a public comment card regarding Director Albright's water shares

DISCUSSION: Mr. Esparza asked for more information regarding Director Albright's share status. President Dahlstrom explains that there are still legal issues needing to be resolved that relate to policy and a standard purchase agreement for an easement. Director Pederson clarifies that the legal issues relate to the purchasing of easements in general, and does not relate to the requirement for Director Albright's purchasing of shares. Mr. Esparza states he believes Director Pederson is lying. Director Pederson

encouraged Shareholders to review the June 11th 2011 meeting minutes for additional information.

5. Shareholder (unknown) submitted a public comment card (no subject).

DISCUSSION: Shareholder believes members of the Board are using their position to make money. Shareholder believes the Company's past financial audits/reviews are not valid, and believes the Company's CPA is dishonest. Shareholder would like a state CPA to audit the Company financials.

ACTION: None

6. Shareholder Lance Latori submitted a public comment card regarding Director the Ralph M. Brown Act, and a letter written by Company attorney regarding quorum requirements.

DISCUSSION: President Dahlstrom stated that the Company, being a mutual benefit corporation, is not subject to the Brown Act. Mr. Latori explains he has obtained a letter from a former Company attorney (2004), and believes the opinion states there is a way to lower the quorum requirements of the Company without a majority vote. The Board indicated they have not seen the letter, and asked Mr. Latori to provide a copy for review.

ACTION: None

7. Shareholder Helen Jones submitted a public comment card regarding the status of specific Board action items from the Annual Shareholder's meeting.

DISCUSSION: President Dahlstrom indicated that the Annual Shareholder's meeting was not a Board meeting, but was merely an informational meeting for the Shareholders, due to lack of quorum. Mrs. Jones suggested there be deadlines assigned for actions to be taken by the Board in the future, and stated she would like to see a Shareholder go over the financials with the Board. The Board indicated that any Shareholder can submit a Board Action Request, and may also request copies of detailed financial reports at the office.

ACTION: None

8. Shareholder Cheryl Turpin submitted a public comment card sighting Department of Corporations sect-7331..."all memberships shall have the same rights, privileges, preferences, restrictions and conditions."

DISCUSSION: Mrs. Turpin believes the 2011 meter charge is unfair because it only applies to metered accounts, and not all Shareholders. Mrs. Turpin says she will file a complaint with the DOC unless all shareholders are subjected to the meter charge.

ACTION: None

9. Shareholder Cheryl Turpin submitted a public comment card asking if it costs the Company money to use the Crestline Village facilities.

DISCUSSION: President Dahlstrom indicated the cost to rent the room for Board meetings has been \$25/meeting, which has equaled \$25/month.

ACTION: None

10. Shareholder Cheryl Turpin submitted a public comment card, regarding the Board's continued lack of response to her allegations that the Board does not pay their water bills.

DISCUSSION: Mrs. Turpin again insists that members of the Board of Directors do not pay for water and that she has proof, but demands all directors submit evidence to her that they do in fact pay their water bills. The Board again suggests that if Mrs. Turpin has any evidence to the contrary, that she please present it to the Board.

ACTION: None

11. Shareholder Cheryl Turpin submitted a public comment card, demanding a written response from the Board concerning what she believes is Director Albright's lack of compliance with Company By-Laws (insufficient shares).

DISCUSSION: President Dahlstrom again explained that the matter is on-going, and all Shareholders may stay informed by either attending the Board meetings and/or reviewing meeting minutes.

ACTION: None

MEETING SCHEDULE

The next Regular Board of Directors Meeting for Cedarpines Park Mutual Water Company is scheduled for Thursday September 22, 2011 at 7:00 PM. This meeting will be held at the Crestline Village Water District Board Room, 777 Cottonwood Drive, Crestline, CA 92325.

ADJOURNMENT

MOTION: Director Steiner made a motion to adjourn the August 18, 2011 regular Board of Directors Meeting. A second was made by Director Pederson.

ACTION: The motion which was approved unanimously.

The Meeting was adjourned by Director Dahlstrom at 8:43 P.M.

Approved by: _____ Date: _____
Perry Dahlstrom, President

Reviewed By: _____ Date: _____
Wilfred Steiner, Secretary

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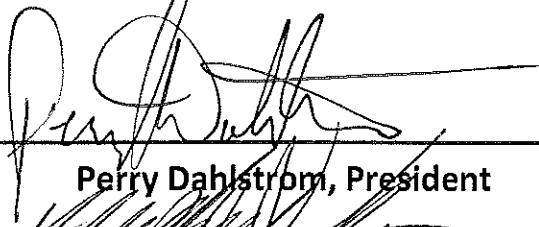
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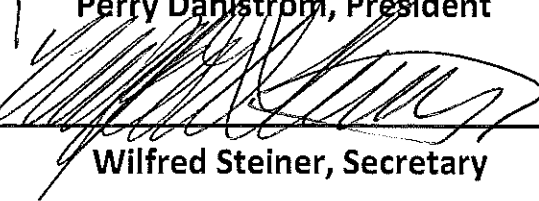
Approved by: _____


Perry Dahlstrom, President

Date: _____

10/27/11

Reviewed By: _____


Wilfred Steiner, Secretary

Date: _____

10/27/11