



BOARD OF DIRECTORS
MEETING MINUTES – REGULAR MEETING

Date: August 19 Time: 7:00 PM.

Location: CRESTLINE VILLAGE WATER DISTRICT

CALL TO ORDER: President Dahlstrom called the meeting to order at 7:03 PM

PRESENT: President Perry Dahlstrom
Vice President Ronald Albright
Director Donald Pederson

ABSENT: Secretary Wilfred Steiner

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

STAFF: Roselynn R. Halpin
Jani Sue Haynes

AUDIENCE MEMBERS: See Attached Exhibit “A”

SCHEDULE EXECUTIVE MEETING FOR SEPTEMBER 2, 2010 FINANCIAL REVIEW WITH
180 BUSINESS SOLUTIONS.

ACTION: The Board accepted the meeting request with 180 Business Solutions for
September 2, 2010.

BOARD OF DIRECTORS MEETING MINUTES

1. APPROVE THE MAY 27, 2010 EXECUTIVE BOARD OF DIRECTORS MEETING MINUTES.

DISCUSSION: During the review there was concern, by the Board, that the minutes of executive meetings historically have sometimes excluded actions by the Board. The Board agreed actions taken during executive sessions must be included in the meeting minutes, but abridged for publication to exclude confidential information.

MOTION: None

ACTION: Tabled for correction and subsequent redaction.

2. APPROVE THE JULY 15, 2010 REGULAR BOARD OF DIRECTORS MEETING MINUTES.

DISCUSSION: During review of the minutes there was confusion as to the clarity of the existing policies regarding the one time forgiveness (reduction), and the issuance of shares. In light of these concerns the Board requested that the GM begin work on cleaning up the existing P&P's & Rules/Reg's. Director Pederson requested that the office document the current method of calculating the amount of reduction, and provide an outline of current procedures for the share issuance & acquiring water service. There was some minor work-smithing and grammatical changes discussed.

MOTION: Director Albright made a motion to approve as corrected, Director Pederson seconded the motion.

ACTION: Motion carried unanimously.

3. APPROVE THE JULY, 15, 2010 EXECUTIVE BOARD OF DIRECTORS MEETING MINUTES.

DISCUSSION: A brief discussion of the FEMA claim clarified how the claim had been submitted in 2003, following the Old Fire. FEMA had contacted the office to close out the claim and facilitate the automatic deposit of final funds.

MOTION: Director Albright made a motion to accept the minutes of the July 15, 2010 Executive Board of Directors meeting. Director Pederson seconded the motion.

ACTION: Motion carried unanimously.

REPORTS

DRAFT FINANCIAL STATEMENT

DISCUSSION: Mrs. Gowan briefly reported on the audited draft financials for year ending April 30, 2010. Final copies will be available on September 18, 2010 at the Annual Shareholders Meeting.

ACTION: No action.

FLUCTUATION ANALYSIS

DISCUSSION: Mrs. Gowan briefly reported on the information the audit had reported using the fluctuation analysis tool as presented.

ACTION: No action.

OPERATIONS

Production Reports for June, 2010

General Manager, Sonny Gowan provided the following totals for July 2010:

TOTAL MONTHLY SYSTEM PRODUCTION: **3,467,593** gallons or 77.7 gallons per minute.

TOTAL PURCHASED WATER TO THE SYSTEM: **0** gallons or 0.00 gallons per minute.

TOTAL WATER TO THE SYSTEM IN JUNE 2010: **3,467,593** gallons or 77.7 gallons per minute.

TOTAL SYSTEM STORAGE AS OF JUNE 30, 2010: **77.7%**

GM Gowan reported the following information to the Board:

- Production had gone down due to the loss of a couple of horizontal wells within our system.
- SAWPIT – the pump went out and we had to have an electrician repair the pump. It was found that the failure was due to the previous electrician having wired the pump incorrectly. A new pump had to be installed. The second pump was inspected and appropriate corrections were made to the required wiring.

PUBLIC COMMENT

PUBLIC COMMENT CARD: Shareholder, Cheryl Turpin, submitted a public comment card requesting permission to allow Shareholder Steven Hawkins to review the shareholder's list she received per her previous Board Action Request.

DISCUSSION: Director Dahlstrom advised Mrs. Turpin that her copy was her responsibility. If she felt that sharing that data with Mr. Hawkins was appropriate, then she could assume that responsibility, or Mr. Hawkins could obtain a copy of his own by filling out a request form and signing a confidentiality letter at the office.

ACTION: No Board action was taken.

OLD BUSINESS

(HOLD)

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)**
5. **POLICY & PROCEDURES – (On going)**

NEW BUSINESS

ITEM 1: Discuss Format to Notify Shareholders of Board Applicants.

DISCUSSION: A brief discussion regarding the format to inform the shareholders of the current Board Applicants ensued.

ACTION: The Board instructed the office to contact all the candidates requesting a brief biography from each candidate be submitted to the office by no later than August 28, 2010, so that it could be included in the September Billing. It was recommended that no more than 1/3 of an 8-1/2 x 11 page be used per candidate.

Shareholder, Cheryl Turpin requested that her Board Action Request (item-2) be heard as item three- in the New Business agenda, the Board agreed to hear item-3 before item-2.

ITEM 3: BOARD ACTION REQUEST ACCT. # 2-475 – Request the Board include with names of the Candidates (to be mailed to shareholders), a proxy, the Proxy Solicitation and Instruction, and brief biography of each candidate.

DISCUSSION: Discussion regarding the names of the candidates, a proxy solicitation and a brief biography be mailed to the Shareholders. Director Dahlstrom stated the method used this year was to consolidate mailing and keep costs down. Director Albright explained the difference between the proxy forms that were mailed by the office to the shareholders, and “proxy-ballots” (requested by Mr. Hawkins). Mr. Hawkins made a request that the information regarding the candidates for the open seat on the Board be made public as soon as possible.

MOTION: Director Dahlstrom referred this action request to the previously mentioned instructions regarding the candidates' biography information.

ACTION: No further action was taken.

ITEM 2: BOARD ACTION REQUEST ACCT. # 1-490 – Request to re-mail proxies for the annual meeting of September 18, 2010 to include the list of candidates for the two vacancies for the election of the Board of Directors.

COMMENT: Mrs. Turpin reported that the planning committee was coming along well and the Annual Shareholders Meeting will be a fun time for all.

DISCUSSION: Discussion regarding the request to void the current process, void submitted proxies, and resubmit all proxies to Shareholders as a Ballot.

MOTION: Director Dahlstrom stated the Board reviewed this process prior to the mailing. We feel that we are meeting the requirements of the regulations that we must follow.

ACTION: No Board action was taken.

ITEM 4: BOARD ACTION REQUEST ACCT. # 5-265 – One time forgiveness request for tenant's bill, the tenant called about a leak and could not shut off water.

DISCUSSION: Director Pederson stated that this request did not satisfy the conditions required to approve a reduction, as the loss was not caused by a verified plumbing failure.

MOTION: Director Albright made a motion to deny the request for reduction. Director Pederson made a second to deny the motion.

ACTION: Request was denied unanimously.

ITEM 5: BOARD ACTION REQUEST FORM: ACCT. # 6-666 – One time forgiveness request for water bill, period 4/28 to 6/28.

DISCUSSION: Discussion regarding the request for reduction. It was determined the request did not satisfy the conditions required to approve a reduction, as the loss was not caused by a verified plumbing failure.

MOTION: Director Pederson made a motion to deny the request for reduction. Director Albright made a second to deny the motion.

ACTION: Request was denied unanimously.

NOTE: The Board noted there may be an issue with meter requirements for a “separate residence” and requested information on the zoning of the property, and that this be added to old business for further examination.

ITEM 6: BOARD ACTION REQUEST FORM: ACCT. # 99-5017 – Annual membership billing.

DISCUSSION: Shareholder Laurel LoCicero-Smith asked to address the Board on behalf of her request. Director Dahlstrom granted the floor to Ms. LoCicero-Smith. Ms. LoCicero-Smith discussed why she was unsatisfied with the written response by GM Gowan to her original request and requested that the Board answer her questions as submitted on July 19, 2010.

MOTION: No motion was heard regarding the request.

ACTION: The Board ruled the questionnaire would not be addressed. Director Dahlstrom instructed the office to provide Ms. LoCicero-Smith with her bill pay history; Ms. LoCicero-Smith stated she was already in possession of such. The Board instructed the office to print out the notes report from August 2007 to August 2010 and provide the document to Ms. LoCicero-Smith.

MEETING SCHEDULE

The next Regular Board of Directors Meeting for Cedarpines Park Mutual Water Company is scheduled for Thursday, September 16, 2010 at 7:00 PM. This meeting will be held at the Crestline Village Water District Board Room, 777 Cottonwood Drive, Crestline, CA 92325.

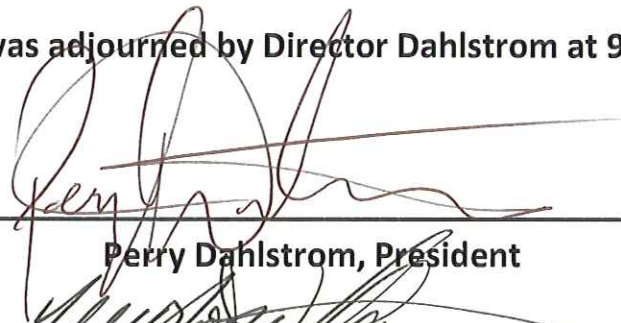
ADJOURNMENT

MOTION: Director Pederson made a motion to adjourn the August 19, 2010, Regular Board of Directors Meeting. Director Albright seconded the motion.

ACTION: The motion which was approved unanimously.

The Meeting was adjourned by Director Dahlstrom at 9:43 P.M.

Approved by: _____

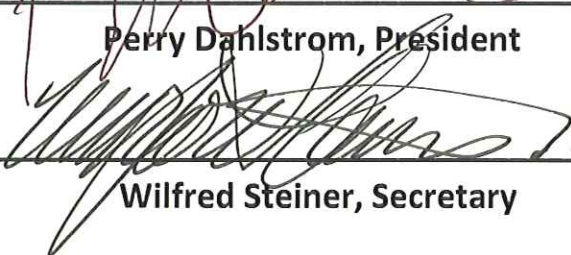


Perry Dahlstrom, President

Date: _____

9/16/10

Reviewed By: _____



Wilfred Steiner, Secretary

Date: _____

9/16/10

EXHIBIT “ A ”

