

MESA DEL TORO MUTUAL WATER COMPANY

BOARD MEETING MINUTES

Wednesday, February 7, 2024, 6:00 p.m.

Wishnak Residence, 27807 Mesa de Toro Road

1. Call to Order by Henry Francioni at 6:06pm.

Two items were added to the Agenda under New Business:

d. Firewise Request

e. Year Round Generator Location/Sweet Email

Board Members Present: Henry Francioni, Briggs Latham, Phil Hardoin, Temby Wishnak

Board Members Absent: Jesse Cude

Board Administrator: Diane Vorwerck

2. Approval of Board Meeting Minutes of November 1, 2023

Motion to Approve Minutes as written by Briggs Latham, second by Phil Hardoin

Motion Approved Unanimously

3. President's Report: Henry detailed emails he has been receiving from State Water Boards requesting information about the Company. As these requests are not mandatory, no response will be made. Rather than Henry receiving future emails, Diane will become the recipient.

4. Treasurer's Report: Phil reported continued working with Diane to assume the role of Treasurer. He deferred to Diane as to the current financials.

a. DV Accounting Service Invoice dated 12/30/2023 was presented to the Board for services from July 2023 through December 2023 in the amount of \$675.

Motion to Approve Payment of Invoice was made by Phil Hardoin, second by Henry Francioni.

Motion Approved Unanimously

Diane sent via email, the Profit & Loss statement January through December 2023 and the Balance Sheet as of December 31, 2023. She noted the bank account balance as \$18,501.06 with 2 outstanding invoices (MCSI and CA SCADA Services) yet to be paid. Diane distributed a Profit & Loss statement to compare the last three years of the Company's operation. Clarification of how Depreciation Expense and Fixed Assets are handled was discussed. She also noted only two Shareholders remain in the arrears for monthly billing which she attributed to the Late Payment Charge of \$25 recently enacted.

5. Financial Information: Refer to item 4. above.

6. Old Business:

a. SCADA Services Contract and other Maintenance/Repair items

i. Storage Tank Maintenance to be completed in April with Diane scheduling the work with Adnen. With an estimate of \$2K per tank based on previous tank cleanings, Diane will request a quote from Adnen. The work should be completed in 3-4 days by isolating one tank at a time and through normal water usage, drain the tank in order to clean it. This will eliminate mass water drainage downhill. Phil and Henry expressed an interest to be present during this work.

ii. The Well #2 Analysis Report dated December 26, 2023, was discussed with attention to the iron, arsenic, manganese and high turbidity results. The pump broke suction most likely due to debris build up in the well pipe. This back up well needs to be tested every 5 years and can only be operated up to 20 days a year. It is about 200' deep. Diane recommended leaving this item on the Agenda with ongoing discussion about abandoning the well.

iii. The 2024 Shareholders' Cross-Connection Yearly Questionnaire will be distributed before and due by the Annual Shareholder Meeting on Wednesday, June 12, 2024.

iv. DeWitt Meter Box and Connections Repair work is on hold but will be completed by year's end.

v. SB552 Regulations Compliance Report continues to be completed by Adnen and provided to the Company Administrator. Adnen also files the Annual Usage Report.

vi. The Board reviewed the proposed Water Testing proposals from MCSI (Management and Construction Services, Inc.) and CA SCADA Services. Diane provided the Board with a spreadsheet to compare each Company's rates for required water testing (ie.EAR, CCR, Bacteriological and other testing), labor and other related work. Depending on the type of test, water testing occurs monthly, quarterly or yearly. Lab analysis costs are separate.

Motion to Discontinue MCSI water testing services as of March 31, 2024, and hire CA SCADA Services at \$1,200 per month (includes all services) starting April 1, 2024 was made by Henry Franscioni, second by Briggs Latham.

Motion Approved Unanimously

Diane will draft a letter to MCSI and send to the Board for review.

Diane and Phil will work with CA SCADA Services to revise a few minor items on their proposal.

b. Abandon Well #1:

The Company continues to wait for County Notification

Timeframe for completion: Pending County Notification

c. MDTMwCo. Inc. Website with Internet Address of mdtwater.com

Diane showed progress made on website including the well site image on the opening page, Board Member information, Meeting Dates, the Cross-Connection Control Program document, and past and present Agendas. Henry asked the website be included on monthly water bills to encourage Shareholders to take a look and become familiar with the website.

Timeframe for completion: On-going

d. Discrepancy in Gallons Pumped vs. Gallons Billed

Diane provided Meter Readings Report, Water Usage diagrams, and 2023 End of Year Summary Chart. The discrepancy continues to decline.

Timeframe for completion: On-going monitoring

e. Testing Information of Homes Without Water Softener or Carbon Filtration System

Diane received last report from MCSI and reviewed the lead and copper results. This test will now be completed by CA SCADA Services.

Timeframe for completion: Required every 6 months

f. Distribution of Documents to Shareholders: Recorded By-Laws, Current System Wide Map, Adopted Rate Structure

Diane will finalize all documents which need to be distributed and send to Kinko's. Once printed, she and Temby will deliver documents to Shareholders.

Timeframe for completion: By end of March

g. Refund from JRG Attorneys Update

As no progress has been made for a refund, Henry will pursue a credit for future use.

Timeframe for completion: On going

h. Generator: Non Fire Season Location, Schedule Refresher Course

A generator refresher course took place 3 months ago.

Discussion about the generator's location centered on the need to have the generator at the well site year round. This need was demonstrated during the recent power outage and the inability to get the generator to the well site due to soggy soil conditions. A permanent location within the easement area will be determined and a possible structure design will be drawn for consideration by the Board.

A recommendation to purchase a second, smaller generator was made to provide power to the Pressure/Booster System at the top of the hill when the power goes out. The Board was made aware of a problem through an email sent by Jeff Sweet indicating homes at the top were without water for over 36 hours during the recent power outage.

Timeframe for completion: By end of 2024

7. New Business:

a. Well #3 needs a backup pump that can be held in storage in the event the existing pump breaks down and needs to be replaced. This would eliminate the need to rely on Well #2 in the event of a Well #3 pump failure and would insure minimal system downtime. CA SCADA Services provided two proposals and Salinas Pump Company provided one proposal. The Board decided on Option #1 of the CA SCADA Services proposal-a

Model 50L 15hp Goulds submersible pump at a cost of \$10,324. Diane will contact Adnen about lead time for supplying the pump. Timeframe for completion is July 2024.

b. MCSI's Bacteriological Sample Siting Plan was received by Diane.

c. Diane and Phil will meet to continue work on creating an update version of the List of Priorities, Capital Improvements, etc.

d. Henry reported the Firewise Committee is requesting \$200 for the purchase of evacuation route signs for use during an emergency. Firewise has obtained property owner permission for two different routes—one at the top of Mesa del Toro Road to Vista del Toro Road and the other from the top of Mesa de Tierra Road to Underwood Road. Firewise will schedule a day where residents will be able view the routes. The signs would be stored in the Fire Apparatus boxes located within the two subdivisions which comprise the Firewise area.

Motion to Approve \$200 to the Firewise Committee for the Purchase of Route Signs was made by Henry Franscioni, second by Phil Hardoin.

Motion Approved Unanimously

e. Year Round Generator Location/Sweet Email-refer to Old Business, item i above.

f. Briggs inquired about the possibility of merging the water companies of Mesa de Tierra and Mesa del Toro together. The merging is not feasible as equipment is not compatible and each company has a different set of water testing requirements set by the State.

8. Administration

a. Diane will stay with QuickBooks Desktop until the program is dropped by QuickBooks. QB will no longer sell the program as of July 31, 2024 but will continue to service accounts for a year to two. The hope is to move to a system where Shareholders will be able to pay their water bills via the Company website.

b. Phil and Diane will look into options for Director and Liability insurance for 2024. Equipment insurance needs to be looked at to see if it is worth having.

9. Other Reports, Information from Shareholders, Etc.

a. No update on List of Job Priority, Scope, Budget, Quote, Notes and Timeline Spreadsheet was made.

b. The System Wide Map is current.

10. Adjournment by Henry Franscioni at 8:12pm.

Respectfully submitted by Temby Wishnak, Secretary

These Minutes were approved at the MDTMWCo. Inc. Board Meeting on Wednesday, May 1, 2024.