

PALOMINO LAKES MUTUAL WATER COMPANY

POST OFFICE BOX 687 CLOVERDALE, CALIFORNIA 95425

MINUTES OF MAY 19, 2018 MUTUAL WATER COMPANY ANNUAL MEETING **OLD CROCKER INN, 1126 CROCKER INN ROAD, CLOVERDALE**

1. Call to Order at 12:00

Directors Present: Vice President Jan Tolbert; Secretary/Treasurer David Taber

Director Absent: President Doug Chamberlin

2. Election of new Directors and resignation of current Directors:

President Doug Chamberlin and Vice President Jan Tolbert ended their terms at this meeting.

Results of May 19, 2018 election were as follows:

Vote to revise By-Laws – 53 votes yes, 0 votes no

Board Members Elected:

David Taber – **President** – **59 votes**

Brenda Thomas – **Treasurer** – **60 votes**

Jim Walter – **Secretary** – **59 votes**

There will be a board meeting every quarter. Notices will be posted on the website at least 10 days prior to each meeting, specifying date, time, and dial-in number.

A short letter from former Board President Chamberlin was presented.

3. Secretary's Report – there was no Secretary's Report.

4. Treasurer's Report:

- a. 2017/18 P&L
- b. 3/31/18 Balance Sheet
- c. 2018/2019 Budget

President Taber stated that there should not be any increase in rates this year because of the rate increase that came into effect on February 1 of this year.

\$90,000 is budgeted for the design aspects of the new tank construction project at Tank 2 site.

5. Old Business

- a. General System Update – Water service was continuous throughout the year, including the October fires, except for one 30 minute period. Except for the Chlorine monitoring system that needed to be replaced, there were no hardware failures.
- b. New Tank at Site 2/Financing Status/Valve Replacement - President Taber indicated that we will replace as many valves as we can afford with the current

cash-flow and the loan we are getting. This may mean we replace none of the existing in-ground valves, even though nearly all of them need to be. We will pay for all the engineering work out of existing funds prior to obtaining the new loan for actual construction.

- c. Redwood Tank Maintenance/Valve replacement: the 2 redwood tanks in the system need to be oiled on an annual basis to extent their life, so they will not rust in the open position so there will be some unbudgeted maintenance expenses.
- d. High Water Usage – It is predicted that State mandated water conservation currently in effect will continue this year.
- e. Continuing Moratorium and likely drought conditions – this is predicted to continue – the ban on new connections will continue unless the State lifts the ban.

6. New Business:

- a. Revised By-Laws will be posted on the website.

7. Other:

Member believes it is unwise to put a tiered rate system in place that discriminates against larger households.

Question about the leak forgiveness policy – David Taber explained that the policy is on the website and noted it clearly states the process to request a leak forgiveness. The forgiveness policy runs with the property, not the owner, and can be given one time every 5 years only.

8. Business from the Floor:

Question regarding the current boron content in the water – Lee Tolbert explained how often it is tested and that the content has been going down.

David Taber relayed that he has found a product “Tri-Flo” that takes water spots/corrosion off of faucets (try it, it’s fantastic!).

Member asks about installing Reduced Pressure Zone (RPZ) valves. David Taber indicated there is no money in the current budget to install RPZ’s at this time.

Member has question regarding tier rates – can’t we lower the rates now and then raise them again? Board Members indicated this would not be practical and would not encourage conservation. David Taber explained Year 2013 usage is the baseline rate.

9. Adjournment at 12:50 pm.

The next board meeting is TBA. Quarterly phone-in meetings are announced on the website!