

MINUTES OF DIRECTOR'S MEETING

A meeting of the board of directors of Pinon Pines Mutual Water Company was duly called and held on April 20th 2021 at the Pinon Pines Community Building located at 1001 Coldwater Drive, Frazier Park, CA.

Directors present and participating: Brandon Grosh, President; Dave Adams, Treasurer; Karen Laumbach, Secretary

Members Not Present:

Employees Present: Austin Mielke, General Manager; Kelly Mielke, Bookkeeper

Others Present: Dave Warner and Carlos Bravo, Self Help Enterprises; Bill Vanek, Rodger Huff, and Girard Mollayan, shareholders.

Open Session:

1. Called to order at 6:00 PM by Brandon Grosh.
2. Brandon Grosh motioned to table items two and three on the agenda until after the Fluoride mitigation project has been discussed so that we do not waste the gentlemen from Self Help Enterprises time.

Old Business:

4. **Update on the Fluoride Mitigation Project:** Dave Warner will be retiring @ the end of July and Carlos is working on getting back up to date on the project to take over. Carlos had started out on this project, until he transferred to a different division. Austin has been taking the lead on the project and has been following up on getting contracts from our 3rd party professionals. We have received draft contracts from our attorney and a labor compliance firm, however we just learned that our engineer is accustomed to fulfilling that requirement, so a 3rd party may not be necessary for that task. Brandon requested that Austin put dates to the project outline that Dave has provided us, to help us keep on schedule. The state has confirmed receiving our approval of the Draft Funding Agreement, and is now routing it through their final approval process.
5. **Review and approve engineering/construction management contract:** Quad Knopf has not yet provided us with this contract. The board moved to table this item to the next meeting.
6. **Review proposals for labor compliance contractors:** The board moved to table this item until after the engineer's proposal has been received.
7. **Review proposal for attorney:** Brandon Grosh Motioned to approve the contract with McMurtrey, Hartsock & Worth for legal counsel. Dave Adams seconded, 3 Ayes, 0 Nays, 2 seats vacant.

- 8. Review proposals for grant book keeping:** The board moved to table this item until after the engineer's proposal has been received.
- 3. Appointment of vacant board member positions:** Kelly reported on our attorney's explanation on how we should handle the vacancies and seats up for election: The board is to appoint persons to the vacant seats at their discretion and the election for the other two seats will happen as usual at the shareholders meeting after asking for any nominations. If there is not a quorum at that meeting, the board of directors will also need to appoint directors to those positions as well.

Brandon asked Bill Vanek if he is interested in filling one of the vacant seats and if he had any questions about the role. Bill responded that he is interested and had no questions.

 - Brandon Grosh motioned to appoint Bill Vanek to the board of directors to fill the open seat previously held by John Everroad. Karen Laumbach seconded, 3 Ayes, 0 Nays. Brandon asked Rodger Huff the same questions as Bill. Rodger warned the board that he splits his time between Pinon Pines and Mesa Arizona to care for kin. Also, he is planning a vacation in July and may not be available for a few weeks. He has 40 years of water experience and was a director on this board for years. Austin asked if Rodger might be able to use Zoom to attend meetings when he is out of town. Rodger said he is not very tech savvy, but would be happy to learn.
 - Brandon Grosh motioned to appoint Rodger Huff to the board of directors to fill the open seat previously held by Larry Borcharding. Dave Adams seconded 4 Ayes, 0 nays.
- 2. Previous Meeting Minutes:** Dave Adams motioned to approve the meeting minutes from the March 16th Board of directors meeting. Karen seconded, 3 Ayes, 0 Nays, 2 Abstained.
- 9. Questions & Comments regarding items on the Agenda:** Girard Mollayan asked what is the Fluoride Mitigation Project. Austin gave a history and summary of the Fluoride Mitigation Project.
- 10. Items not listed on the Agenda:** Girard Mollayan noted that he has low pressure at the house he just bought on Snowline drive but would be happy to discuss this with Austin later.
- 11. Customer Complaints/Concerns:**
 1. The board discussed the response letter from Mr. Onyshko and the possible solutions to mitigate damage to his property caused by hydrant flushing. The board determined it would be best to talk to Mr. Onyshko in person to determine what course of action is best for both parties. Austin will send a response to Mr. Onyshko requesting his presence at the next board meeting to discuss the matter.

Financial Matters:

12. Financial Report: Kelly reported that we had \$365,000 in the bank at the end of the month. We paid our annual insurance renewal in March. Brandon asked how our insurance was compared to last year. Kelly said it was similar to last years amount. Kelly is working on the new software again and Austin has been inputting meter reads to it, so hopefully we will be able to start showing meter usage on the bills rather than a separate document. Brandon motioned to approve the financial report. Dave seconded, 3 Ayes, 0 Nays, 2 Abstained.

Operation Matters:

13. Manager's Report: Austin reported on the operations of the company over the past month. He reported that this year we only received 2.5" of precipitation, which is very low compared to our average of ~12". Austin recommended that we raise our conservation level to Conservation Necessary.

- Brandon motioned to increase our conservation level to Conservation Necessary. Dave seconded, 3 Ayes, 2 Abstained.
Brandon informed the board that the HOA is working to install lighting at the mailboxes and is hoping to run the power from well #3.
- Karen motioned to allow the HOA to run power from well #3 for the lighting at the mailboxes. Dave seconded, 3 Ayes, 0 Nays, 2 Abstained.

Meeting adjourned at 7:33 PM