**Palomar Mountain Mutual Water Company, Inc.**

**Regular meeting of the Board of Directors**

**January 13, 2024**

**The meeting was held at the Water Co. office building**

**Directors Present:** Jim Marugg, John Lesac, Charles Black, Brett Michael Hauser, Diana Forero-Cook, Mary Ellen Harshberger, and Sandra Cugusi-Tristan.

**Staff Present:** Mike Probert [Operator], Justin Davis [Operator assistant], Linda Thorne [Office Manager], Renee Forero-Cook [OM assistant]

The meeting was called to order at 9:07 AM

The minutes of the December meeting were read and approved with minor corrections. Brett moved, John seconded, and the Board approved with corrections.

**Operator’s Report: Mike Probert**

*See the Operator’s written report as part of these minutes*

**Well Levels:** Well #3 is at 15’ and well #5 is at 17’ vs 29’ and 31’ this time last year.

**Testing:** Water sampling and testing continues as required by the State with all results falling within acceptable limits.

**Meter Readings:**  No meters were read this month.

**Leaks:** One leak occurred the morning of 1/4/24 along Crestline Rd. An old compression fitting needed to be tightened and it was easily repaired after it was reported.

**Pumps:** Justin reported well #5 didn’t pump overnight on 1/7/24. Mike investigated and determined the pump was pulling too many amps, requiring a service call to Stehly Brothers. On 1/10/24 Dan Stehly evaluated the pump for well #5 and determined it needs to be replaced. It is a 10 HP pump and the Water Company cannot keep up with water delivery without it. Well #3 can only produce 600 gallons/day compared to the 2000 gallons/day combined from both wells pumping. Stehly Brothers is working on a bid to replace the pump ASAP.

The Water Company has been fortunate and the used pump installed at well #5 in 2006 has far exceeded its 10 year estimated lifespan when installed. Due to the physical pumping requirements to deliver water, a high quality 10 HP pump is required and we are unable to use a lower quality pump with booster since there would be no way to power and secure a booster.

**Secretary’s Report: John Lesac**

*See the new share transfers spreadsheet as part of these minutes*

No reported closed escrows or share transfers at the meeting.

**Office Manager’s Report: Linda Thorne**

A shareholder with multiple parcels under a single property and water share contacted Linda inquiring if they split the parcels in a sale to create separate properties if they could acquire a water share for the portion of land that does not currently have a water share or meter.

The Water Company is currently at its limit for water usage and delivery. Current infrastructure will not support additional metered water users beyond current shareholders of the Water Company. The Board is not inclined to issue new shares given our operational constraints.

**Treasurer’s Report: Brett Michael Hauser**

*See financials for November 2023*

Brett discussed how the Water Company is running in the negative by $9,000 this year despite the special assessment, reduced legal bills, and payments being made on past due accounts. Expenses are continually rising and outpacing income received throughout the year. Any additional upcoming special assessment amounts issued to shareholders are TBD and will be evaluated in the coming months based on expenses and needs to keep the Water Company operational.

**Old and Future Business**

The State issued citation to PMMWC had 13 elements to address. One of the major points in the citation is related to the Water Company not operating under a current D1 license. Jim informed the Board the State has mandated we have a D1 operator by 2/3/24 or face major fines and potential legal action. Options for PMMWC to contract with and operate under an outside entity’s D1 license is continuing to be investigated to comply with State requirements. Many items in the citation were related to the distribution map that the State needs by 2/5/24. Per Mike the map is ready to send to the State. All outdated reports the State needed for their records were acquired and sent to the State resolving those items in the citation. PMMWC still needs to create a procedure manual for the State’s records.

Once all aspects of the citation are addressed and resolved, the Water Company will post a notice of the citation to shareholders. The CCR due in July will also need to be updated to include the citation.

**The meeting was adjourned at 11:10 AM**

**Respectfully submitted,**

**Renee Forero-Cook**

**Assistant Office Manager**