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

**Regular meeting of the Board of Directors**

**March 9th, 2024**

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

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

**Directors Absent:** Sandra Cugusi-Tristan

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

The meeting was called to order at 9:04 AM

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

**Operator’s Report: Mike Probert**

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

**Well Levels:** Well #3 is at 11.2 feet and well #5 is at 13 feet vs 27 feet and 28 feet last year.

**Water Usage:** Water usage remains down averaging 5000-6000 gallons/day during the week and increasing to 10000-12000 gallons/day on the weekends. Pumping is equaling usage with 2.5 hours per night for pumping during the week and 6 hours per night during the weekend.

**Testing:** Water sampling and testing continues as required by the State with all results falling within acceptable limits. We need the reports from Choice Water Solutions.

**Meter Readings:**  Location #10 meter and location #74 meter were read for escrow.

**Leaks:** No leaks this month.

**Choice Water**: $700/month providing us a D1 license to operate under. Ed Stone from Choice Water took samples to San Bernardino and showed up on 3/8 to take samples. There are concerns with water sampling on Fridays for the water company as correcting any issues should a test return positive poses logistical challenges for the Water Company.

**Water Distribution:** March 6th chlorinator jammed up and was subsequently fixed. It is now operating as normal.

**Secretary’s Report: John Lesac**

Three properties are in escrow, but none have closed yet.

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

Safe And Affordable Funding For Equity And Resilience (SAFER) reporting is finished. It needs to be done monthly now. We were 12 months behind, but we are caught up now. Mike keeps a running log so it can be put in the computer and sent in.

Electronic Annual Reporting (eAR) is finished and submitted since it was sent out early this year, but there is a possibility of corrections.

S1 is ready to go and just needs a check for $20 to submit.

Our insurance broker has been contacted (Lisa Bailey). We are not getting insurance from the same agency as last time (fire insurance specifically) due to cost. We need to evaluate cost of policy vs cost of replacement to see if insurance is worth it. Pedley is a lower fire danger with about 5k of pipe to replace. The well sites burning could be more of an issue and the cost to replace is TBD. Replacing the building could be more expensive. The agent wants information on the structures, not the tanks or pumps. It’s possible they may not replace those, and if that is the case it may not be worth it to have the policy. Insurance isn’t due until April.

Consumer Confidence Report (CCR) still needs to be done, but the paperwork is not available yet. The citations will need to be included in the CCR for this year.

Notifications to our commercial clients (CALFire/County Fire) for citations were sent directly after the State and our attorney signed off. The notification was sent via email to shareholders, but it still needs to be posted to the website. It is also currently posted at Water Company in the window.

Bylaws are finished. We have printed copy and it’s posted to the website. Just need to add date to it 1/1/24.

A company notified us the county owed us money 1620.50 and they were willing to obtain that money for a small finder’s fee. Jim submitted paperwork so we get the check and no fee was paid out to a third party company.

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

*See financials for December 2023*

We are running less of a deficit for financials for July 2023 to December 2023 due to increased income and reduced expenses. Last year we had a deficit of 35k through the end of December, this year it is 16k through the end of December. While it is heading in the right direction, the Water Company is still running a deficit due to increased expenses related to electricity, testing, payroll taxes, etc. Electricity cost has nearly doubled without increased electric usage. The special assessment brought in 11k, and at this point we’re going to need to increase the special assessment for this year more than we did last year to prevent additional increases in our operating deficit.

**Future Business**

We’re moving on from the citations. Sean at the state required an update to the contract to with Choice Water to satisfy the State, and that is done. The Water Company will continue to contract with Choice Water until an in house D1 is obtained.

There are cedars that need to be pruned and the area around the well sites cleaned after many branches came down this winter. Ideally it would be a clear and clean up everything around the tanks in a 50 foot diameter. Previously the low risk camp by CALFire has pruned and cleared brush around the well sites for the Water Company and while lower cost, it takes more time to get done. It is currently being evaluated if services should be contracted from the low risk CalFire camp vs Treekeepers to come and clean. Additionally, SDGE has created an issue clearing lines down at Pedley with built up brush in the area that needs to be addressed as well.

**The meeting was adjourned at 9:53 AM**

**Respectfully submitted,**

**Renee Forero-Cook**

**Assistant Office Manager**