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

**Regular meeting of the Board of Directors**

**June 14th, 2025**

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

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

**Directors Absent:** Mary Ellen Harshberger

**Staff Present:** Justin Davis [Operations Manager], Renee Forero-Cook [General Manager]

**The meeting was called to order at 9:15 AM**

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

**Operator’s Report: Justin Davis**

**Well Levels:** Well #3 was at 18.3’ this month vs 15.8’ last month. Well #5 was at 23’ this month vs 16.2’ last month. Last year they were 6’ and 4’ respectively. Sounding testing indicates well #5 is now pulling from well #3. Justin will continue to monitor if well #5 is pulling from well #3. He is also working to contact the company who did a draw down study approximately 30 years ago on #3 to possibly come out to do one again to evaluate the well.

**Pump Update:** The pump for well #5 was replaced 6/11/25.When Stehly pulled the pumped, it was in pieces. Stehly wasn’t sure how PMMWC was even pumping. There is a 5 year warranty on the pump, 1 year warranty on the labor. There should be no cost PMMWC to replace the pump itself since it was under warranty, and Justin is going to see if Stehly will also cover the labor. The new well pump is now pumping 30 gallons per minute (gpm) up to the tanks, which is an improvement over the 20 gpm it was previously providing when broken.

There also might be an issue with sediment coming out of the pump per Stehly, but they’re not responding to Justin calling to clarify.

A separate sounding tube was installed for well #5 so we can do soundings without using the chlorination tube.

**Property Transfer Update**: Stehly is not responding to providing a quote to get the property transfer related to resolving the boundary dispute done by installing the line from well #3 to the meter with the storage tanks and pressure tank. Justin is going to find additional vendors that could help us and get started on trenching for the line after June 20.

Justin is also going to get some t-posts to paint blue in order to clearly mark PMMWC infrastructure crossing the property.

**Well Site:** Justin cleared the road to Pedley and cleaned the weeds around the property to fire harden it.

**Propane:** AmeriGas needed to replace the propane tank due to a leak. 16% of the propane was lost due to this leak when replacing the tank and we need to contact AmeriGas for the remaining propane.

**Well Site Generator:** There is no auto switch for the generator. It needs to be manually turned on. The battery was dead, but after replacing the battery Justin was able to get the generator up and running. It runs normally. Justin is going to get the rest of the maintenance done.

**Leaks:** There is a likely leak somewhere in the system that started around Memorial Day weekend. Justin has read zone meters and most of the meters appear to be on a zone meter, but it is not obvious where the leak is located. No meter is showing usage that would correlate with the 400+ gallons per hour (gph) the system is losing between the tanks and distribution to resident usage. High water users have made it more difficult to determine where there could be a leak or if there is a leak. There is no physical evidence of unusual water pooling somewhere within the community and no residents have contacted PMMWC about spotting a water leak.

**UTV:** The UTV was acquired by Justin and sent to the shop for a tune up. After it was received, the oil light came on and it went back to the shop. There was too much oil put in during the oil change by the shop. The battery was also dead and it was necessary to replace the battery. The UTV was returned to PMMWC and shortly after receiving it the check engine light went on again. The shop determined it was a blown fuse and we should have the UTV back to use next week.

**Secretary’s Report: John Lesac**

No new escrows were presented to the Board this month.

**General Manager’s Report: Renee Forero-Cook**

**Software Licensing:** The Microsoft subscription licensing was acquired and deployed. Emails have been set up for all Board members, as well as for the General Manager and the Operations Manager. The General Manager and Operations Manager are using OneDrive and SharePoint to save and share data. Renee is available to help any Board members set up their email if it is needed.

**Microsoft Access:** Renee is building a new Microsoft Access database to better meet the needs of PMMWC going forward. All of the data from the previous database that is currently relevant was imported and corrected into the new database. The old database is being retained for historical records. It is stored as a split database with a frontend and backend stored and accessed through SharePoint. The Water Company laptop and the new tablet have a launch button to access the frontend database for use. At this point a form to complete meter readings is built and functional to quickly add in new readings, calculate usage, and compare it to previous usage for the meter. There are additional fields including GPS location of the meter, if the meter is located on a manifold, if it is a gallons or cubic foot meter, shareholder contact information, a maintenance log, and a notes field located on the form to make it easier to find meters, access meters, and identify and resolve any meter issues observed.

**Field Tablet:** A tablet was purchased to collect data in the field for Operations. It was used for meter readings this year with the new Microsoft Access database. Functionality of the input form in the field is still being tested to make sure all bugs are worked out. We are still waiting on a battery to be shipped to us to improve the usability of the tablet in the field.

**Water Share Transfers:** In May a shareholder was looking to sell one of their properties while keeping the other. This shareholder is behind on fees for both properties from the January billing. Because membership dues are only billed once regardless of how many APNs with shares an individual owns, it presented a challenge for how to charge owed fees by the seller as part of the water share demand. A judgement decision was made by Renee to bill for the past due membership as part of the back fees due for the property to bring the membership into good standing with PMMWC. We do need a formal policy on this. Brett made a motion to approve requiring shareholders with multiple parcels that each have shares who are behind on fees across properties including membership dues must become current on the fees owed for the property and any overdue membership dues in escrow. Chuck seconded, and the Board approved.

**Payroll Updates:** PMMWC currently does payroll once a month. Per California state law, wages must be paid at least twice during each calendar month as current employees do not meet the criteria to be classified as a salaried employee. PMMWC needs to establish a regular payday, and the policy needs to be posted showing the day, time, and location of payment. Under state law:

* Wages earned between the 1st and 15th days of the month must be paid no later than the 26th day of the month
* Wages earned between the 16th and the last day of the month must be paid by the 10th day of the following month
* Alternative payment periods such as every two weeks or semimonthly are permitted as well under state law.

Brett made motion to approve changing the payroll schedule to follow state law with pay periods being any wages earned between the 1st and 15th of the month paid on the 20th and wages earned the 16th through month end paid on the 5th of the following month. Chuck seconded the motion, and the Board approved.

**5 Year Plan:** Renee proposed to the Board establishing a documented 5 year plan for maintaining and improving the water system to provide to the shareholders for transparency related to the increased fees. A few items for the Board to consider as part of the 5 year plan include:

* A modern mapping of the water system that GPS tags PMMWC infrastructure and tracks any leaks, maintenance requests, water quality issues, etc.
* A plan to address replacing and improving the original pipe coming up from Pedley
* A better hydrological understanding of our water supply capacity to evaluate the potential for offering shares for sale to raise capital for improvements
* An ongoing maintenance plan to replace infrastructure past its use life

Ideally this would be presented and discussed with shareholders at the upcoming Annual Meeting.

**Job Descriptions:** The General Manager and Operations Manager presented updated job descriptions for the General Manager and Operations Manager to account for the physical demands of the job as well as an initial job description for the Operator’s Assistant role. Brett made a motion to accept approve the job descriptions as presented, Chuck seconded and the Board approved.

**Fiscal Year Budget:** An updated version of the fiscal year (FY) budget was presented to the Board to account for additional estimated cost related to the Pedley property transfer project and updated operating figures. Chuck moved to approve the revised FY Budget, Brett seconded, and the Board approved.

**Rates & Fees:** Tan updated version of the Rates & Fees was presented to the Board to be sent with the July 2025 newsletter and July billing. Brett moved to approve the revised the Rates & Fees with corrections. Chuck seconded, and the Board approved.

**Newsletter:** An initial draft of the newsletter was presented to the Board for their review. Initial corrections to clarify the need to change the January and July billing structure to have increased flat fees were requested by the Board. An updated version of the newsletter with these corrections will be presented at the next Board meeting for final review and approval.

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

*See financials for April 2025*

PMMWC is likely to operate at a deficit for this FY due to the increased legal fees related to the boundary dispute and operational costs. This will need to be accounted for in the budget for the next FY. We continue to have issues with past due accounts going unpaid and need to work to better address that.

**Old Business**

The property transfer for the boundary dispute is awaiting correction from the surveyor. Work is going to start on trenching for the meter that is to be installed.

**New Business**

No new business was discussed at this meeting.

**The meeting was adjourned at 12:21 PM**

Joe Lomeli accompanied the Board to the well and tank sites after the conclusion of the meeting.

**Respectfully submitted,**

**Renee Forero-Cook**

**General Manager**