

OTEMWC Board of Directors Meeting
January 24, 2024

The meeting was held at the home of Dennis and Kathie Jorgesen and called to order at 4:33 p.m. Board members present were Nancy Eckhous, Dennis Jorgensen, Mike Rhodes and Eric Lane. Director Greg Kniss was unable to attend. Watermaster David Mexico and colleague Paul Matsukas participated.

Meeting Minutes November 29, 2023 meeting minutes were approved. Executive session minutes also approved.

Treasurer's Report

Nancy provided a review of 2023 year-end financials and our final 2024 budget. A dramatic reduction of \$54,489 in total cash collections against 2023 budget is reported, due primarily, to lower water usage during the year. On the positive side, an increase of nearly \$5,000 in interest income is reported and a nearly \$26,000 reduction to anticipated electricity expense help to mitigate our collections deficit against the 2023 budget. Nancy alerted the board that the 2024 budget includes substantial bank financing expense due to our solar project. The budget assumes that the solar power system will be operational by September 1st – this may be delayed. If we can keep to our solar power implementation schedule, our budgets in 2025 and 2026 will improve dramatically due to credits from the state and Federal government of nearly \$160,000. The 2024 Budget was approved unanimously. Since our last meeting, a large past-due account has been paid leaving the A/R Aging Summary otherwise unremarkable. Nancy provided a listing of water usage, by lot, for the past several months compared to the same period for the prior year. Essentially all shareholders have reduced usage – thus responsible for our lower income. Dave offered to give Nancy a few contacts to help find a service that will provide us an independent Annual Financial Review.

Bank Balance:	As of January 1, 2024:	\$315,606
	2024 Budget end-of-year:	\$230,135

Watermaster's Report

Dave reported several system maintenance and testing activities from Nov 30 – Jan 24, 2024: (11/21) SAFER report for October done, (12/13) December monthly draw-down test of wells; (1/1/24) Dec and year-end SAFER done, Dec & Jan Bacti's passed; (1/3) Annual nitrate tests of 4 wells done; (1/8) January well draw-down tests done; (1/16) Well#6 water samples taken for the General Mineral, Physical and Inorganic Chemicals testing that is required every 3 years; (1/18) attended Webinar on new LCRRRI regulations. Dave alerted the board that the state is adopting the 10 ppb Chromium 6 regulations for community water systems. When tested in the past, our water system test results fall below the threshold for any required corrective action. The permit is now issued for the generator. Dave is arranging improvements to the fence and landscaping for our wells.

Old Business

Solar Project: Nancy reported continued frustration with project progress, primarily due to PG&E mis-coordination. Both Solarponics and PG&E have cooperated recently to advance our project to another PG&E review step. Once completed, the application & engineering documents are advanced to PG&E Engineering for their second review. This review should take, typically, 2 weeks. Ideally, the on-site engineering review will then be scheduled in April. The board confirmed that our notice to the HOA has been approved as evident in the May 20, 2023 HOA meeting minutes. Nancy and Dennis have met with a neighbor on August 16th to help resolve his concerns regarding solar panel placement. Our plans to minimize his view of the panels were discussed. No subsequent notices have been received from him. Nancy will contact Montecito Bank&Trust to update them on our solar project.

Watermaster Contract: Dave and Paul provided a summary of Watermaster duties in the context of a contract proposal. The board suggested a few changes to the contract text and requested a map be provided showing our system infrastructure. The board will review the update via email and take appropriate steps to reach an agreement. An orientation and our water system is scheduled for 3PM prior to our next board meeting.

New Business

Dennis passed out updates to our By-Laws and the Rules, Regulations and Policy manuals. The board's next meeting is March 20th, 4:30PM at the home of Greg Kniss. We intend to take an orientation tour of the water system at 3PM.

Adjournment This board meeting adjourned at 6:21PM.

Respectfully submitted,

Mike Rhodes, Secretary

