

**OTEMWC Board of Directors Meeting
November 29, 2023**

The meeting was held at the home of Eric Lane and called to order at 4:32 p.m. Board members present were Nancy Eckhous, Dennis Jorgensen, Greg Kniss, Mike Rhodes and Eric Lane. Watermaster David Mexico and colleague Paul Matsukas participated. In addition, shareholders Russell Shiromizu and Don Burg attended.

Meeting Minutes

Minutes of the September 27, 2023 meeting were approved after a few corrections.

Shareholder Comments

No shareholder issues were presented though an update on the solar project was of interest.

Treasurer's Report

Greg provided the Statement of Cash Collected and Expenditures through October 2023. He provided water usage and A/R Aging summaries, noting that the A/R summary will be discussed in the Executive Session. He and Nancy alerted the board to several items, particularly those related to the recently updated Reserve Study. Total cash collected is running \$49,668 less than budget due to water conservation efforts – depending on weather, this is expected to continue. Total capital reserve expense is \$93,216 which is less than budget. With the Reserve Study as our guide (it recommends a 2024 reserve funding of \$104,000) and lower cash collections anticipated, the board approved a 20% increase to the base rate and a 10% increase to water usage rates effective January 1, 2024. The 2024 Budget was also examined which assumes the solar system to be operational September 1st and shows a substantial increase in reserve expense. This will result in a temporary lower reserve fund than recommended for 2024. However, Federal and other credits amounting to ~\$160,000 will be due after the solar system is operational, in addition to subsequent lower electricity charges. The board will send shareholders the 2024 Budget, the water rate increase notice, the Reserve Study Summary and Disclosure Form prior to year's end. Bank Balance:

Checking/Savings	\$ 21,764.00
MB&T Money Market	\$ 252,660.00
Escrow Acct (solar)	\$ 20,000.00
Total:	\$ 294,424.00

Watermaster's Report

Dave reported several system maintenance and testing activities: (10/15) Bacti's all passed; (10/7,11/10) State SAFER standing & pumping water levels measured and reported; (11/6) Well #6 ultrasonic meter replaced; (11/28) weed control at well sites. The generator has been granted a temporary permit, Final Permit is pending "Permission to Operate" approval. Dave will review Watermaster Duties in section 12 of our By-Laws and provide a system orientation for the board.

Old Business

Solar Project: Nancy reported continued frustration with project progress, primarily due to PG&E mis-coordination. An email received earlier in the day from PG&E indicated that this circumstance may improve, a key site visit may be shortly forthcoming. The board confirmed that our notice to the HOA has been approved by default.

Cumulative Voting: Eric found no requirement in the laws of California nor the governing documents of OTEMWC that require cumulative voting. After extended discussion Nancy moved to adopt conventional voting for the election of directors and clarify our By-Laws to specify this practice. The motion was approved unanimously. Dennis will edit our documents for review and approval at our next meeting.

New Business

The board's next meeting will be held January 24, 2023, 4:30PM at the home of Dennis Jorgensen.

Adjournment

This board meeting adjourned at 6:00PM and entered a brief Executive Session.

Respectfully submitted,

Mike Rhodes, Secretary