

OTEMWC Board of Directors Meeting Minutes January 22, 2020

The meeting was held at the home of George and Marian Silva, 3000 Woodstock Road. George Silva called the meeting to order at 4:15 PM. Board members present: Nancy Eckhous, Hank Cook, Dennis Jorgensen, Mike Rhodes and George Silva. David Mexico, the OTEMWC Watermaster, also participated.

Meeting Minutes

Minutes for the November 13, 2019 meeting were reviewed and approved after a correction was made.

Treasurer's Report

Nancy Eckhous provided a statement of income and expenditures for year-end (December 31, 2019).

First Bank checking:	51,819.42	Budget Allocation:	Operating Fund	20,000.00
First Bank CD's	181,452.56		Reserve Fund	<u>213,271.98</u>
Total Bank Balances:	\$233,271.98		Total:	\$233,271.98

The end of year total Income over Expense was favorable by \$3,789 when compared to our 2019 budget. In addition, we have a \$20K favorable Reserve Balance against our 2019 budget due primarily to lower actual Reserve expenses than planned. Nancy noted that though a few shareholders have an overdue balance of ~\$250, there are no significant outstanding A/R issues. In fact the overall A/R balance is favorable due to advance payments provided by some shareholders.

Nancy then led a brief review of our proposed 2020 budget. Several refinements were made. Dave outlined options for implementing our upgrade of meters for all shareholders during 2020. After discussion, Mike advanced a motion to implement the upgrade in two steps. First, replace the meters without the electronics that enables internet communication, then defer the electronic upgrade to take place once our financial disposition clarifies later in the year. The first step will cost approximately \$70K, the second about \$35k. This was seconded by Dennis and approved unanimously.

Dennis pointed out that a 2019 Reserve Capital expense for the Cistern Access Road chip seal was not done and should be added to the 2020 budget. George advanced the motion, with Hank's second the expense was moved to the 2020 budget by unanimous consent. George also directed the 2020 budget, now approved by the board, to be sent to shareholders in the next billing cycle.

Watermaster Report

For the period 14Nov2019 through 22Jan2020 Dave summarized the following:

- All bacti tests have passed during this period.
- (11/19) Dug out and sized all shareholder meters
- (12/31) Repaired Well #6 leak in the hypo-chlorinator line
- (1/14) USA locate at 2875 Monticielo was undertaken to find the shut-off valve for a fire hydrant installation.

A Santa Barbara County permit application is underway for our emergency generator. This retrospective effort is now needed to comply with regulations. Landscaping and fence repairs will be underway shortly for well sites. Regarding the generator, Dave was asked to determine the price of a trailer that is lower than the trailer now in use. This would help reduce the disturbing visibility of the generator (shareholders have complained). In addition, the trailer should have a tow connection of a more common style. With this in hand the board will decide our next steps regarding the trailer's parking plan.

New Business

George noted that the shareholder's meeting will be held May 16th at St. Marks and he asked the directors if all are willing to be candidates for their election at the annual meeting. The directors agreed.

Adjournment

There being no further business to come before the board, the meeting adjourned at 5:05PM

Respectfully submitted,

Mike Rhodes, Secretary