

**Palomar Mountain Mutual Water Company, Inc.**  
**Regular meeting of the Board of Directors**  
**July 13th, 2024**  
**The meeting was held at the Water Co. office building**

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

**Directors Absent:** Mary Ellen Harshberger

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

The meeting was called to order at 9:09 AM

**Public Comment:** Cecelia Borland presented a request for \$200 from the Water Company to repair and improve the dirt road section of Crestline Rd leading to Birch Hill as it is going to cost roughly \$6,000 for improving the road with asphalt grindings. Brett moved we provide \$300 to Cecelia for the road repair and improvement and John seconded. The Board unanimously approved.

Mike clarified road asphalt grindings may not work as water pipes run under that section of road and if a leak repair were necessary, it could potentially contaminate all the water downstream of the leak. Class II concrete road base would be better, and it would not cause potential contamination issues in the case of a repair.

Jim is going to speak to other local water companies and the State about putting down the Class II concrete road base vs asphalt grindings to check if either would be an issue in case of a repair, and anything else we need to be aware of prior to putting down anything on the road that could cause water issues.

The minutes of the June meeting were read and approved. Brett moved, John 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 11.9'. The sounding tube for well #5 is clogged solid and is wicking up into the chlorinator. An accurate water level cannot currently be obtained. We need to get Staley Brothers to come up and address the sounding tube that is also used for chlorination by pulling out the whole pump assembly. It will take a few weeks for them to get up here and it will likely cost over \$2,000 to fix this issue. The Board approved covering the necessary cost to fix the problem to get the sounding tube addressed without Mike first needing to provide a quote to the Board for repair costs. Mike added an extra chlorinator on hand to well #3 in the meantime to provide chlorination. Both wells are pumping, and the chlorinator installed on #3 is providing chlorination for all water pumped for now.

**Water Usage:** Overall water usage is substantially down this year compared to prior years. Weekends previously had water usage around 18k-20k gallons per day and now weekend usage is down to approximately 13k gallons per day. Weekdays are also proportionally scaled down for usage.

**Leak:** Seepage was noted on Birch Hill. A pinhole leak was found to be the source. It was easily patched and repaired.

**Well Site:** Justin took care of weed whacking near the well sites.

**Testing:** Bacterial testing for last month was negative. This month we are doing lead and copper, so water samples are being dropped off to 5 separate residences to collect samples for testing. Choice Water Solutions will be up on Monday 7/15 to collect the samples. It requires water to be stagnant in the pipes for 6 hours prior to collection. Accurate testing hinges on residents following directions to collect samples.

**Assistant Operator Training:** Justin is getting up to speed fast and doing well.

#### **Office Manager's Report: Linda Thorne**

Linda is going to hand off the Office Manager role to Renee while Linda moves to a consulting role to continue to support and help guide the transition of knowledge and responsibilities from Linda to Renee.

Microsoft Access is unsustainable, and it is no longer working for the Water Company database. We need to transition to something else. It has caused many issues for billing this year, and we have Debra (our accountant) to thank for all her hard work to help get our billing done despite the challenges. This is something Renee will continue to investigate and work with the Board on to identify a better solution for managing our shareholder data and meter/water billing.

#### **Secretary's Report: John Lesac**

*See the new share transfers spreadsheet as part of these minutes*

No new escrows to report this month.

#### **Treasurer's Report: Brett Michael Hauser**

*See financials for May 2024*

Expenses related to electric and water testing required by the State continue to be up year-over-year while our legal expenses are substantially down. Year-over-year our account balance is up approximately \$20,000 compared to last year, largely due to the Special Assessment issued last year (Operational Assessment on the financial sheets going forward).

### **Old Business**

The MMA through US Bank that was providing a negligible rate of return was finally switched by US Bank to a MMA earning 4.5% now. In the last month alone that has resulted in several hundred dollars of interest generated. Jim notified US Bank going forward that our account needs to continue to be managed in the most fiscally advantageous way for the Water Company or we will move our accounts to a different financial institution. The credit card from US Bank was obtained, but Jim's name is attached to it. That needs to be corrected before it can be used.

### **New Business**

To complete the Federal Service Line Inventory (FSLI) a visual inspection of the Palomar Mutual Water Company service lines needs to be completed prior to its due date in October of this year. The State is insisting the Water Company needs to reveal the pipe from the meter to the home as part of completing the FSLI despite directions provided for completing the FSLI indicating it is not necessary if it is not accessible. The Water Company is fighting the State on this as there are steel pipes from the wells to the tank and then PVC from manifolds to shutoffs. There has never been lead pipes in the system. This is going to be a battle with the State that the Board will need to decide how the Water Company should move forward. The FSLI is due October 16<sup>th</sup>, 2024.

The Board called a closed session. No action items to report at this time.

**The meeting was adjourned at 10:49 AM**

**Respectfully submitted,  
Renee Forero-Cook  
Assistant Office Manager**