

LA CUMBRE MUTUAL WATER COMPANY
BOARD OF DIRECTORS MEETING
DECEMBER 17, 2018
MINUTES

The meeting was called to order at 1:15 pm by President Jane Lodas

Present: Directors, Jane Lodas, Alex Rodriguez, Doug Campbell, Marc Russo and Bob Uradnicek. Also present, General Manager Mike Alvarado, Administrative Manager Jeff Dameron and Maria Armijo Office Manager

Absent: None

Public comment

None.

Approval of agenda

After a review of the agenda, it was moved by Mr. Uradnicek, seconded by Mr. Rodriguez to approve the agenda as presented. Motion carried.

Approval of the regular Board meeting minutes of November 27, 2018

After the review of the regular Board meeting minutes of November 27, 2018, it was moved by Mr. Russo, seconded by Mr. Campbell to approve the minutes as amended. Motion carried.

Approval of the Special Board meeting minutes of December 5, 2018

After the review of the Special Board meeting minutes of December 5, 2018, it was moved by Mr. Russo, seconded by Mr. Rodriguez to approve the minutes as amended. Motion carried.

Water production report and current Northern Sierra water shed conditions

Mr. Alvarado reviewed the water demand and supply analysis update with the Board. It was moved by Mr. Uradnicek, seconded by Mr. Russo to receive and file report.

Well #17 sewer lateral approval

Mr. Alvarado informed the Board, the permit for the sewer lateral for the Puente well site has been granted by the Goleta Sanitary District. Three bids were sent out. A proposal for \$29,845 to construct a new 6in sewer lateral was received from Tierra Contracting.

After further discussion, it was moved by Mr. Rodriguez, seconded by Mr. Campbell to move forward with the new sewer lateral project with Tierra Contracting at a cost of \$29,845. Motion carried.

Well #16 failure

Mr. Alvarado reported to the Board, Well #16 had a pumping equipment failure and has been off line for the past ten days. Pumping equipment was pulled out and inspected. Iron bacteria was found both inside and out of the pump casing causing it to deteriorate, and also created two holes in the column pipe. Cost of repairing Well #16 is approximately \$30K.

State Street Hotel water line damage

Contractor for the Hotel came in contact with a water line while digging to install a transformer. No leak was caused but the line will need to be relocated. Owner is building a retaining wall where the line is. If there is a leak, the water company will not be able to access the line. Cost of relocating the line is approximately \$16K and will be paid by the State Street Hotel.

Disgruntled customer phone calls

Tenant on Cresta Avenue came in to explain he had a toilet leak and requested a leak relief. Mr. Dameron reviewed the water usage for the property and came to the conclusion the majority of the high water usage was due to excessive landscape irrigation. The toilet leak was not significant enough to cause the high water bill (approximately \$4,600) and was informed he did not qualify for the leak relief. The tenant called back speaking with two employees and using very foul language expressing his discontent in the refusal for a leak relief. He claimed he had a high water bill because he was not offered to register for the EyeOnWater monitoring program. He also threatened with small claims court for negligence on part of the water company. After further consideration, the water company subsequently agreed to a leak relief of approximately \$2K. The tenant eventually apologized to management for his bad behavior.

After some discussion, the Board asked Mr. Alvarado to check with legal counsel, Mark Mannion whether the water company is legally bound to set up water accounts for tenants or can they be kept in the homeowner's/shareholder's name. Furthermore, can the water company legally hold the shareholder responsible for delinquent water fees incurred by their tenants.

Water leak relief policy update

Mr. Dameron informed the Board there has been a change to the water leak relief policy. Prior to receiving a leak relief, the customer must sign up for the EyeOnWater service and set up a leak alert. This addition is effective immediately.

There being no further business, the meeting was adjourned at 2:15 pm.

Next regular Board meetings: January 28, 2019 at 1:00 pm

Maria Armijo
Office Manager