



CalMutuals Board of Directors Meeting
Tuesday, August 21, 2018
2:00 p.m. or upon adjournment of the JPRIMA Board Meeting
Call-in Number: (515) 604-9371
Access Code: 462-860

Agenda

2:00 p.m.:

- 1) Call to Order (Chair Yamashita-Lopez)
- 2) Roll Call
- 3) Review and Approval of July 17, 2018 Board Meeting Minutes
- 4) Budget Report
 - a. Demand Sheet
 - b. Financials
- 5) Nomination of Directors
- 6) Chair's Report
- 7) Executive Director's Report
- 8) Legislative Committee Report
- 9) Member Highlight(s)
- 10) Director Comments
- 11) Adjourn (3:00 p.m.)

2018 CalMutuals Board Roster

Ms. Lisa Yamashita-Lopez - President
Rubio Cañon Land and Water Association
626-797-0509 x206 | 626-802-8092
583 E. Sacramento St., Altadena, CA 91001
lisa@calmutuals.org

Mr. Dave Armstrong – Vice President
South Mesa Water Company
909-795-2401 | 951-805-0861 391
West Avenue L, Calimesa, CA 92320
darmstrongsmwc@yahoo.com

Mr. Dave Michalko - Secretary
Valencia Heights Mutual Water Company
626-332-8935 | 909-215-6895
3009 E. Virginia Ave., West Covina, CA 91791
dmichalko@vhwc.org

Mr. Jim Byerrum - Director
California Domestic Water Company
562-947-3811 | 714-822-6084
15505 Whittier Blvd., Whittier, CA 90609
jbyerrum@caldomestic.com

Mr. Ken Bradbury - Director
Montebello Land and Water Company
323-722-8654 | 213-500-5279
344 E. Madison Ave., Montebello, CA 90640
ken@mtblw.com

Mr. Doug Nunneley - Director
Oildale Mutual Water Company
661-399-5516 | 661-204-1074 2836
McCray St., Bakersfield, CA 93308
dnunneley@yahoo.com

Mr. Ken Tcheng - Director
Sunny Slope Mutual Water Company
626-287-5238 x122 | 626-422-6861
1040 El Campo Dr., Pasadena, CA 91107-5506
ken@sunnyslopewatercompany.com

Mr. Rick Cook
Bellflower-Somerset Mutual Water Company
(562) 866-9980
10016 Flower St, Bellflower, CA 90706
rcook@warnerreal.com

Mr. Michael Palazzo- Director
San Luis Canal Company
(209) 387-4305
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michaeljpalazzo@gmail.com

Staff

Mr. Jim Ciampa
General Counsel
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Ms. Myra Evangelista
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Ms. Susan Allen
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Mr. Adan Ortega
Executive Director
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Ms. Denise Peralta Gailey
Managing Director
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Ms. Lynda Noriega
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California Association of Mutual Water Companies (CalMutuals)
Board of Directors Meeting Minutes
July 17, 2018

Via Teleconference (515) 604-9371
Access Code: 462860

Call to Order: Chair Lisa Yamashita-Lopez called the meeting to order at 2:01 p.m.

Present: Lisa Yamashita-Lopez (Director, President and Chair), Dave Armstrong (Director, Vice President), Dave Michalko (Director, Secretary), Jim Byerrum (Director), Ken Bradbury (Director), Ken Tchong (Director), Doug Nunneley (Director), Denise Peralta Gailey (Staff, Managing Director), Susan Allen (Staff), Lynda Noriega (California Domestic Water Company), Myra Evangelista (California Domestic Water Company), Dominic Nunneri (Attorney, Lagerlof, Senecal, Gosney, Kruse).

Absent: Rick Cook (Director), Michael Palazzo (Director), Jim Ciampa (Legal Counsel), Adan Ortega (Staff, Executive Director).

Review and Approval of the June 19, 2018 Board Meeting Minutes: On a motion made by Director Bradbury, seconded by Vice President Armstrong, the June 19, 2018 board meeting minutes were unanimously approved, as submitted.

Chair's Report: Chair Yamashita-Lopez reported that the Member Highlights section of the Board meeting agenda is intended to highlight one-on-one assistance that Directors and/or Staff are providing members of the Association.

Executive Director's Report: Managing Director Peralta Gailey reported that the legislature remains on summer recess and will reconvene on August 6.

Member Highlight(s): Chair Yamashita-Lopez reported that Averydale Mutual Water Company has received an infrastructure grant for the installation of meters. Vice President Armstrong reported that he, and Executive Director Ortega, are providing Banning Heights Mutual Water Company assistance mitigating water delivery issues. Managing Director Peralta Gailey reported that she is drafting a comment letter for Atascadero Mutual Water Company regarding regulation changes to Regional Notification Center policies and fees.

Budget Report: Staff Member Allen provided an overview of the demand sheet. On a motion made by Vice President Armstrong, seconded Director Bradbury, the demand sheet was unanimously approved. Staff Member Allen also provided an overview of the budget and cash flow statement adding that the budget was revised to reflect changes to projected financial estimates. On a motion made by Director Nunneley, seconded by Secretary Michalko, the Revised Budget was approved.

Director Comments: Director Tchong stated that he had a conversation with Executive Director Ortega regarding the implementation of the newly-enacted conservation laws, AB 1668 and SB 606. He added that Executive Director Ortega had agreed to provide him with an analysis on the laws.

Adjourn: Chair Yamashita-Lopez adjourned the meeting at 2:18 p.m.

TO: Board of Directors
FROM: Jim Ciampa, Legal Counsel
DATE: August 21, 2018
SUBJECT: Annual Meeting

Background Discussion: CalMutuals' Bylaws require the organization to hold an annual meeting¹. At each annual meeting, directors whose terms are expiring shall be elected. The annual meeting can also include dissemination of reports for the previous year. Failure to hold the annual meeting at the designated time and date will not result in the dissolution of the Association. If the Association did not hold the annual meeting, a court could order that the annual meeting be held within a reasonable time after that order is issued.

Purpose of 2018 Annual Meeting: The main purpose for holding an annual meeting in 2018 is to elect directors to fill expiring terms. Directors Lisa Yamashita-Lopez, Dave Armstrong, and Ken Tchong may stand for nomination for re-election if nominated by the Board of Directors or if otherwise nominated in accordance with the Bylaws. There are two options to elect directors: (1) mail ballot and/or (2) an election at the annual meeting. In either case, a quorum of 33% of Regular members must participate. As of August 21, 2018, CalMutuals has 308 Regular members. Thus, at least 103 Regular members must attend the meeting in person or by proxy for the quorum to be met and the election to proceed.

Staff Recommendation: Staff recommends the following:

Regarding the election of directors in 2018, staff recommends that the Board proceed in nominating directors at the August 21 board meeting and determine what, if any, additional steps will be needed to confirm those nominations. The next step would be to alert the membership of the nominations and ask for any further nominations, with an established deadline that the Board will set. A mail (or e-mail) nomination and election would then take place leading up to and at the September 14 annual meeting.

Logistics: The Annual Meeting will occur per the Board's direction at 9 a.m. at Crowne Plaza Ventura Beach- 450 E Harbor Blvd, Ventura, CA 93001.

¹ Article III, Section 2