

San Miguelito Mutual Water Company
Minutes of the Board of Director's Meeting

9:00 A.M. Wednesday, January 15, 2014
Company Office, Avila Beach, California

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:01 a.m.

Board Members Present:	John Delehant, Rob Rossi (arrived 9:15 a.m.), Tom Athey, Gerri Hall, Vic Montgomery and Rick Koon
Staff Members Present:	Customer Service and Operations Support Dawn Barlow
Consultants Present:	None
Absent:	Ben Banks, Operations Manager Dan Migliazzo
Guest:	Dana Severy, Joe Cole, Heron Crest Resident Rich Vorie

- II. PUBLIC/SHAREHOLDER COMMENT – Rich Vorie, Heron Crest Resident, requested clarification regarding maintenance of low pressure force mains located in Heron Crest. He asked if the resident(s) or SMMWC was the responsible party. President Delehant told him that the Board would research the maintenance issue and send Mr. Vorie a letter with their findings.

III. CLOSED SESSION – No items

IV. RECONVENE TO OPEN SESSION – No closed session actions

V. REVIEW and APPROVAL OF MINUTES

- Minutes of the December 18, 2013 regular meeting were approved on motion by Gerri Hall, seconded by Vic Montgomery. Motion passed 6 - 0.

VI. UNFINISHED BUSINESS – No unfinished business

VII. NEW BUSINESS

- a. January 2014 Newsletter – Draft presentation for board member comment
 - Rick Koon reviewed the articles for the January 2014 newsletter. Included will be a map that shows where force main breaks and repairs have been completed since 2012 as well as the areas which are scheduled for replacement in 2014. John Delehant will update the president's message which will include an invitation to attend an open house on February 21. SMMWC's rate changes, our new address and our auto-debit program will also be in the newsletter.
- b. Stage I Water Conservation – Consideration of Implementation
 - Motion made by Tom Athey, seconded by John Delehant to implement Stage I: Voluntary Conservation – Minor (10% voluntary water use reduction) of Resolution No. 2009-001, SMMWC Water Conservation Policy. Motion passed 6 – 0. Notice of reduction request will be printed on the January 2014 bills.

VIII. GENERAL MANAGER'S REPORT

- Administration

- The final punch list items for the new building have been completed. A fire alarm panel, Knox Box and address numbers have been installed as required by Cal-Fire.
- Per the Post Office, our physical address is 1561 Sparrow Street, San Luis Obispo, CA 93405-8056. Our mailing address will remain the same.
- We received a refund of \$1,586 from State Fund Insurance.

- Operations

- All water being delivered is from our wells with no State water being delivered.
- We are testing the THM levels within the system to determine if there is a correlation between our water source deliveries and the THM levels.
- The lift stations and water booster stations are functioning normally.
- We are dewatering pond 1 into pond 2 at the treatment plant in preparation for sludge pumping.
- There are new reporting requirements for all wastewater discharge permits. Our legal team has provided us with a summary of the revisions we need to implement.

- Capital Project

- The LS #2 to LS #3 pipeline replacement project is progressing well.
- A meeting was held with Dylan Wade of WSC to outline the elements of a reserve study. WSC will provide us a cost estimate by the end of January.

IX. FINANCIAL STATEMENT

The Board Management Report for December 2013 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of December 31, 2013 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$101,186	\$354,728	\$224,193	\$911,120

X. BOARD MEMBER COMMENT - None

XI. ITEMS FOR NEXT AGENDA

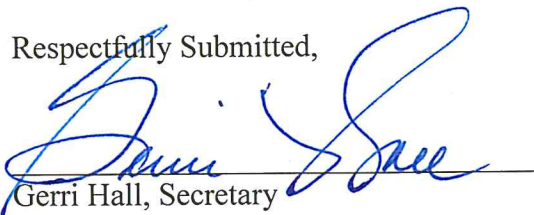
VIII. ADJOURNMENT

Meeting was adjourned at 9:51 a.m.

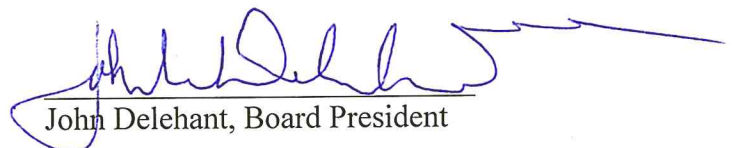
Proceeding reported by:

Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,


Gerri Hall, Secretary

Approved:


John Delehant, Board President