

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

9:00 A.M. Wednesday, June 18, 2014
Company Office, Avila Beach, California

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:04 a.m.

Board Members Present: John Delehant, Rob Rossi, Gerri Hall, Rick Koon, and Vic Montgomery
Staff Members Present: Operations and Maintenance Supervisor Dan Migliazzo, Customer Service and Operations Support Dawn Barlow
Consultants Present: Tim Carmel
Absent: Tom Athey, Ben Banks
Guests: None

Subsequent to the publication of the agenda, 2 new business items needed to be addressed. General Manager Rick Koon requested a motion to add these items to the agenda. Motion by Rob Rossi, seconded by John Delehant. Motion passed 5 – 0.

II. PUBLIC/SHAREHOLDER COMMENT - None

III. CLOSED SESSION

a. HOA Reimbursement Agreements

IV. RECONVENE TO OPEN SESSION – No reportable actions

V. REVIEW and APPROVAL OF MINUTES

- Minutes of the April 16, 2014 regular meeting were approved on motion by Rob Rossi, seconded by Vic Montgomery. Motion passed 5 - 0.

VI. UNFINISHED BUSINESS - None

VII. NEW BUSINESS –Election of Officers - After a brief discussion, a motion was made by Rob Rossi, seconded by Vic Montgomery to elect board officers as follows: John Delehant – President, Ben Banks – Vice President, Gerri Hall – Secretary, and Tom Athey – Financial Officer. Motion passed 5 – 0.

- a. Capital Reserve Study – WSC has presented a proposal of \$29,800 to perform the study. SMMWC staff time is not included. After a brief discussion, the Board directed General Manager Koon to proceed with the capital reserve study in-house with Indian Hill being the first subdivision to be studied. Once an acceptable model and format have been developed, General Manager Koon will present it to the board.
- b. Line of Credit – Motion made by Rob Rossi, seconded by John Delehant to proceed with SMMWC's Line of Credit application with Wells Fargo Bank. Motion passed 5 – 0.
- c. Customer Request – Donald LaVallee, 258 Country Club Drive, hand delivered a letter to the Board requesting an adjustment to his May 2014 bill. After discussion, a motion was made by Vic Montgomery, seconded by John Delehant to deny Mr. LaVallee's request. Motion passed 5 – 0.

VIII. GENERAL MANAGER'S REPORT

- Administration

- Staff continues to collect water conservation alternates and their incorporation into our CUSI billing system. We will present our finding to the Board during their meeting in July.
- DWR continues to deliver State water at 5% of requested.
- State water bills for undeveloped shares have been mailed.
- Our final CD above 2% came to maturity; \$100,000.00 has been reinvested for 5 years with Edward Jones at 2%.

- Operations

- Staff has completed the additional wastewater sampling. Chevron is processing the samples.
- There was a leak in a fitting on Well 6a which has been repaired.
- The Consumer Confidence Report is complete and will be mailed to our customers no later than June 20th.

- Capital Projects

- The pump replacements for lift station #1 have been ordered.

IX. FINANCIAL STATEMENT

The Board Management Report for May 2014 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of May 31, 2014 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$146,261	\$354,791	\$242,849	\$1,554,763

X. BOARD MEMBER COMMENT - None

XI. ITEMS FOR NEXT AGENDA

- Mid-Year Budget Review
- Stage 2 Conservation

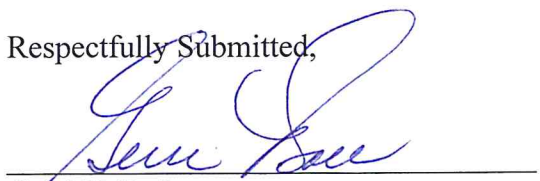
VIII. ADJOURNMENT

Meeting was adjourned at 10:20 a.m.

Proceeding reported by:

Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,


Gerri Hall, Secretary

Approved:


John Delehant, Board President