

SAN MIGUELITO MUTUAL WATER COMPANY

Annual Shareholder Meeting
Minutes

2:00 PM Friday, May 20, 2022

SMMWC Office
1561 Sparrow Street
San Luis Obispo, CA

Or

VIA
GTOMEETING.COM

REGISTRATION OF SHAREHOLDERS

The Annual Meeting Packet that included the 2022 Agenda, List of Directors & List of Shareholders as of May 20, 2022, 2021 Annual Meeting Draft Minutes, 2021 Financial Statements, 2021 & 2022 Budget, 2022 Rate Schedule, Manager's Report and Operations Report.

Board Members Present: Michel Nordstrom, Marvin St Pierre, Rick Koon, Rob Rossi, Larry Bittner, Bob Peterson

Board Member Absent: Paul O'Malley

Staff: Geoff English, General Manager, Michelle Edson, Accounting & Administrative Manager and Shannon Santos, Operations Support & Customer Service

Legal Counsel: None

Shareholders: Dominique Dunn, Andrew Winterbottom, Karla Bittner, Bob Pusanik

Guest: None

PLEDGE OF ALLEGIANCE & PRESIDENT'S REMARKS

President Nordstrom opened the meeting at 2:00p.m. with the pledge of allegiance, welcomed the shareholders in attendance and introduced the Board of Directors, staff and consultants present.

President Nordstrom asked if there was a quorum.

The San Miguelito Mutual Water Company Bylaws state: *"The presence in person or by proxy of twenty percent (20%) of the shareholders shall constitute a quorum for the transaction of business at any meeting of shareholders."*

Michelle Edson confirmed there was a sufficient percentage of the shares represented and a quorum was declared. (See representation detail attached.)

MINUTES OF LAST MEETING

President Nordstrom asked the shareholders to review the minutes of the last meeting. There was a motion made by Bob Peterson, seconded by Bob Pusanik to accept the minutes of the May 22, 2021, meeting as written. Motion passed unanimously.

PRESIDENT'S REMARKS

President Nordstrom expressed his appreciation for the Board Members who are voluntarily serving the Company and the Employees.

FINANCIAL REPORT

General Manager Geoff English presented the San Miguelito Mutual Water Company 2021 Financial Statements, as prepared by the accounting firm of Moss, Levy & Hartzheim LLP. He read this from the financial report. "Based on our

review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America". It was a clean audit report without any necessary modifications required.

MANAGER'S REPORT, OPERATIONS REPORT, 2020 and 2021 CAPITAL PROJECTS REVIEW

General Manager English prepared a slide show presentation to share the 2021 projects. The reports as follows:

General Managers Report

In 2021 -

- Total water connections are 688 and total number of shares is 1041.
- Water production for 2021 was 179.1-acre feet. Of that, 70% or 124.3-acre feet was delivered by state water project, the remaining 30% came from our three wells.
- Total wastewater production for 2021 averages 60 to 80 gpd.

Operations Report -

- Staff continue to do preventative cleaning of the Water and Wastewater system in most neighborhoods.
- Staff painted and refurbished pumps, hydrants, pipes, vents and electrical panels throughout the system.
- Staff continued to proactively remove tree roots from sewer lines and manholes.
- Well 4A was videotaped, brushed clean and fitted with a new pump.
- Well 5A and 6A were outfitted with transducers that communicate water levels 24/7.

Capital Projects-

- Tank 550 inspection, painting and replacement of staff gage.
- Water meter replacement and the clean out of tank 400.
- Meters installed at the Wastewater Treatment Plant and at Lift Station 3.
- Telemetry system upgrades.
- Pump replacement at Lift Station 2.

Special Projects -

- The grant money allocated for the Marre Wier has brought the project to 65% complete for the design.
- Monitoring and Reporting Program at Wild Cherry Canyon's Wastewater Treatment Plant

For 2022 -

- Staff will be replacing water system sample taps.
- Staff will be flushing the system and exercising the valves.
- Staff will also continue to replace old meters and refurbish and paint hydrants and infrastructure as needed.

Capital Projects -

- Meter Replacements.
- Tank 100 Inspection & Refurbished
- Booster Pump Replacement
- Telemetry system improvements
- Lift Station Pump Replacement & Rehab
- Replacement of Aeration Equipment

QUESTION & ANSWER

Andrew Winterbottom asked if we have seen any subside in the wells? President Nordstrom stated the drawdown test done in August 2021 which is one of the hotter months showed almost no drawdown. Carla Bittner asked if we could lift the Tuesday and Friday outdoor irrigation mandate? General Manager English replied that we are currently in Stage II Conservation and Tuesday and Friday irrigation is required.

ADJOURNMENT

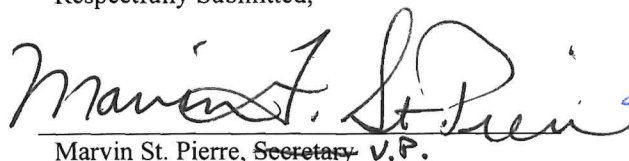
The meeting was adjourned at 2:52p.m.

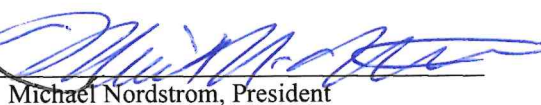
Proceedings recorded by:

Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:


Marvin St. Pierre, Secretary V.P.


Michael Nordstrom, President

ANNUAL SHAREHOLDERS MEETING

May 20, 2022

SHARE REPRESENTATION

1041 Total Shares – 20% Necessary for Quorum 209 Shares

Michael Nordstrom	1 share
Marvin St. Pierre	1 share
Robert Peterson	1 share
Larry Bittner	1 share
Rob Rossi – ABR, E. Hartford, AVLLC and OUAT	197 shares
Rick Koon – Avila Land Development, LLC.	11 shares
Residential and Commercial in Attendance	4 shares
TOTAL SHARES REPRESENTED	216 shares