

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

9:00 A.M. Friday, April 16, 2021

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President Marvin St Pierre at 9:00 a.m.

Board Members Present: Marvin St Pierre, Rob Rossi, Rick Koon, Thomas Rinn, John Delehant, Michael Nordstrom

Board Member Absent:

Staff Members Present: Brad Hagemann & Michelle Edson

Consultants Present: Timothy Carmel, Legal Counsel

Guests: Heron Crest Resident: Larry Bittner and Bob Pusanik, Pelican Point Resident: Gerri Hall and Bob Peterson, Quail Canyon Resident: Paul O'Malley, Kingfisher Resident: Carol Hayden and Robert Campbell

II. PUBLIC/SHAREHOLDER COMMENT – Bob Pusanik remarked that he would like to see the 4year term and the 2year term for the annual meeting election to merged together. Larry Bittner would like the annual meeting to be in person at our office and to also have the organizational meeting of election of officers done at the same time.

III. REVIEW and APPROVAL OF MINUTES –

- a. March 19, 2021 Regular Meeting Minutes - Motion to approve the minutes made by Rob Rossi seconded by John Delehant. Motion passed 6/0.

IV. DISCUSSION AND CONSIDERATION OF LEVYING AN ASSESSMENT OF \$1,031.77 PER SHARE ON THE 51 SHARES OF SMMWC STOCK OWNED BY SCM AVILA BEACH PARTNERS, LLC – Tim Camel communicated that the Staff recommends levying an assessment of \$1,1031.77 per share pursuant to section 423 of the California General Corporation Law. SMMWC would need to have the monies owed to state water collected by May 18th and Somera Capital Management would also need to enter into a payment program. If state water is not paid by June 04, 2021 shares would be sold to the highest bidder. Michael Nordstrom requested a closed session before the Board moves forward with any decision. Staff was directed to setup a closed session special meeting for Thursday April 22, 2021 at 9:00am.

V. DISCUSSION AND CONSIDERATION TO APPOINT JULIE RODEWALD AS ELECTION INSPECTOR FOR THE MAY 21, 2021 ANNUAL MEETING – The board brought this item back from last months' agenda to clarify that Judy Rodewald would be the Election Inspector. Marvin asked a question about the definition of ballot vs. proxy it was clarified that both would be verified in the same manner. John Delehant motioned to approve Julie Rodewald as our Election Inspector seconded by Rick Koon. Motion passed 6/0.

VI. DISCUSSION AND CONSIDERATION TO APPROVE ANNUAL SHAREHOLDER MEETING NOTIFICATION PACKET – President St Pierre indicated he had concerns about the ballot being confusing and that it might be better to have all directors' positions (both the 4-year position and the 2-year position) voted on as one item. President St. Pierre made a motion to elect all candidates as one and the top 5 vote collectors will be the new directors, the candidate with the least number of votes will be in the 2-year position unless otherwise agreed upon seconded by Mike Nordstrom. Motion passed 4/1 with one abstention. Rick Koon, against Thomas Rinn, abstained.

VII. REVIEW OF THE FINAL 2020 FINANCIAL STATEMENT – Motion to approve the 2020 Financial Statement prepared by Moss Levy & Hartzheim, CPAs made by John Delehant seconded by Rick Koon. Motion passed 6/0.

VIII. ROADMAP FOR LONG-TERM WATER STRATEGY COMMITTEE UPDATE – The committee met with Water Systems Consultants on April 9, 2021 and expressed their concerns about publishing the updated Water Resources Analysis Report before we do more analysis on the ground well treatment options and costs. The Board of Directors previously approved \$10,000. for WSC to investigate technologies and make recommendations on which would work best in our wells and directed Staff to hold off publishing the Report.

IX. GENERAL MANAGER'S REPORT -
- Administration

- Coordinate with District Auditor for completion of 2020 Annual Report
- Continue with preparation of material for May Annual meeting, including compiling Director candidate statements
- Prepared and submitted annual Water Diversion and Use Report to the State Water Resource Control Board
- Completed annual update to employee briefing of the Emergency Response Plan
- Completed annual auto debit audit
- Operations
 - Monthly Water and Wastewater compliance sampling
 - Monthly reports sent to the regulatory agencies
 - Water & Wastewater rounds daily
 - Installed new motor controllers on wells 5A and 6A
 - Replaced air vacs and sample taps on the water distribution system
 - Coordinated tree trimming contractor at the Admin Building and WWTP
 - Avila Valley Mutual Water – Flushed and sampled wells to confirm they are ready to go online; tested the efficiency of newly installed pumps
- Capital Projects
 - Continue with work on the SCADA and telemetry projects
 - Working with potential vendors for liner installation to support docking station at WWTP
 - Installed and calibrated flow meter at Lift Station #3 and the WWTP. Working with SCADA contractor to connect new meters to SCADA system
 - Tank 550 Project – Coordinated equipment mobilization, scaffolding etc. Work to begin in early April
- Additional Projects
 - Marc Weir – No new updates

X. FINANCIAL STATEMENT

The Board Management Report for March 31st was presented by General Manager Brad Hugemann with the following highlights:

Cash and Reserve Funds as of March 31, 2021 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$135,219	\$355,442	\$138,325	\$4,101,345

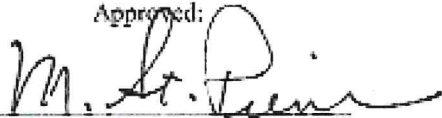
- XI. BOARD MEMBER COMMENT – Thomas Rinn request that he would like a summary of the “Special Joint Meeting” of the CCWA Operating Committee with San Luis Obispo County FC&WCD State Water Subcontractors Advisory Committee. President St. Pierre would like to see if we could setup a board meeting soon after the Annual Meeting to serve as the Board Organizational Meeting.

- XII. ADJOURNMENT – Meeting was adjourned at 10:18am

Proceeding reported by:
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,


Rick Koon, Secretary

Approved:

Marvin St Pierre, President