

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

9:00 A.M. Wednesday, December 14, 2016
Company Office, Avila Beach, California

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by General Manager Rick Koon at 9:09 a.m.

Board Members Present: Tom Athey, Gerri Hall (left at 10:32), Rick Koon, Rob Rossi (left at 9:56), Vic Montgomery
Absent: John Delehant and Ben Banks
Staff Members Present: Michelle Edson, Accounting and Administrative Manager
Consultants Present: Legal Tim Carmel
Guests: Indian Hill Residents Martin Suits, Ray Feeser; Heron Crest Resident Bob Pusanik;

II. PUBLIC/SHAREHOLDER COMMENT – None

III. REVIEW and APPROVAL OF MINUTES

a. November 16, 2016 - Motion to approve as written made by Rob Rossi, seconded by Tom Athey. Motion passed 5 – 0.

IV. CONSIDERATION TO APPROVE AVILA VALLEY MUTUAL WATER COMPANY MAINTENANCE CONTRACT – Motion to approve made by Rob Rossi, seconded by Gerri Hall. Motion passed 5 – 0.

V. DISCUSSION AND CONSIDERATION TO APPROVE THE SANITARY SEWER MANAGEMENT PLAN (SSMP) RECERTIFICATION AND AUDIT – Motion to approve this plan made by Rob Rossi, seconded by Tom Athey. Motion passed 5 – 0.

VI. DISCUSSION AND CONSIDERATION TO APPROVE THE 2017:

- a. Operational and Maintenance Budget
- b. Capital Improvement Budget
- c. Rates and Fees Schedule

Motion to approve made by Rob Rossi, seconded by Vic Montgomery. Motion passed 5 – 0.

VII. GENERAL MANAGERS REPORT

- Rick Koon reviewed his GM report.
- Rick Koon and Tom Athey presented the new format for the 2017 budget. The 2017 Budget will now be divided into two sections, Water fund and Wastewater fund.

VIII. FINANCIAL STATEMENT

The Board Management Report for November 2016 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of November, 2016 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$118,922	\$355,054	\$261,868	\$2,161,844

IX. BOARD MEMBER COMMENT – General Manager, Rick Koon, submitted a letter addressed to PG&E in regards to the protection of our WWTP sublease. He requested BOD to review and approve. Motion was made by Vic Montgomery, seconded by Tom Athey. Motion passed 4 -0.

X. UPCOMING BOARD MEETING AND AGENDA ITEMS

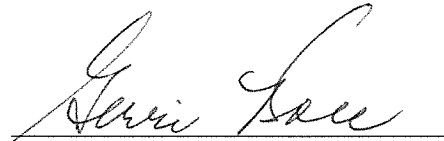
- a. February 15, 2017 Capital Plan
- b. February 15, 2017 Updates to the bylaws reviewed

XI. ADJOURNMENT –Meeting was adjourned at 10:36 a.m.


Proceeding reported by:
Michelle Edson, Accounting and Administrative Manager

Respectfully Submitted,

Approved:



Gerri Hall, Secretary



Rick Koon, General Manager