

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

9:00 A.M. Wednesday, January 17, 2018

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, Gerri Hall, Ben Banks, Rick Koon, Martin Suits,
Absent: Tom Athey and Rob Rossi
Staff Members Present: Michelle Edson, Accounting & Administrative Manager
Consultants Present: Tim Carmel
Guests: Heron Crest Resident Bob Pusanik, Kingfisher Resident Robert Campbell, Mary Jacobson, Steve Rossi and Paul Metchik with Rossi Enterprises

II. PUBLIC/SHAREHOLDER COMMENT – Bob Pusanik shared his opinion regarding State Water sub-contracted water being used to supply non-general plan projects.

III. REVIEW and APPROVAL OF MINUTES

a. December 20, 2017 - Motion to approve made by Martin Suits seconded by Ben Banks. Motion passed 5–0, Rossi and Athey Absent.

IV. DISCUSSION AND CONSIDERATION TO APPROVE THE JANUARY 2018 NEWSLETTER: Prior to the meeting we emailed a copy of the January 2018 newsletter to all Board Members for review. After a brief discussion a Motion to approve the January 2018 Newsletter was made by Ben Banks seconded by Martin Suits. Motion passed 5 – 0, Rossi and Athey Absent.

V. DISCUSSION AND CONSIDERATION OF DRAFT LINE RELOCATION POLICY: During the discussion the members of the board decided that we should broaden the resolution to include HOA's. Shareholder costs should also include Legal and Experts costs, require an executed reimbursement agreement any time there is work being done and have SMMWC added as additional insured.

VI. DISCUSSION AND CONSIDERATION OF DRAFT CONFLICTS OF INTERESTS POLICY: The BOD reviewed two drafts of this policy and agreed that legal counsel should rewrite the policy using some elements of both.

VII. GENERAL MANAGERS REPORT

- Administration

- The DWR is predicting a 15% delivery for the first part of 2018
- Staff completed the 2018 Budget.
- We submitted final State Fund payroll audit.

- Operations

- Staff painted the piping at the Water Booster Stations
- We are treating wet well one with chlorine to reduce the odor in our force mains.
- Staff replaced miscellaneous air vacs.

- Capital Projects

- Tank 400 and Kingfisher booster station is online with the new telemetry system.

- Additional Project

- SMS Sewer Service Contract – Received
- GTA Reclaimed Water Use Study – on hold
- Cleath New Well Study – The engineer is working to get bids for the project
- Reserve Replacement Study – Developing an outline for a 10year plan
- ABCSD Regional Study – The draft report is being finalized for submission to the SWRCB
- Marre House – Preliminary power design is being worked on

VIII. FINANCIAL STATEMENT

The Board Management Report for December 2017 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of December 31st, 2017, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$156,923	\$355,169	\$311,384	\$2,546,121

IX. BOARD MEMBER COMMENT – None

X. UPCOMING BOARD MEETING AND AGENDA ITEMS

- a. Conflicts of Interests clause
- b. Prepare a draft Resolution regarding the requirement for locating our utility lines.

XI. ADJOURNMENT –Meeting was adjourned at 9:52 a.m.

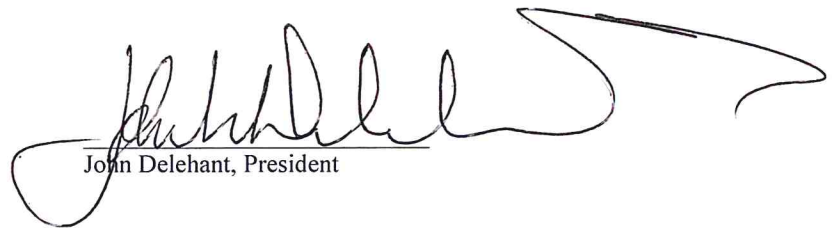
Proceeding reported by:

Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:


Gerri Hall, Secretary


John Delehant, President