

San Miguelito Mutual Water Company

Minutes of the Board of Director's Meeting

9:00 A.M. Wednesday, July 20, 2016
Company Office, Avila Beach, California

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:02 a.m.

Board Members Present: John Delehant, Vic Montgomery (left at 10:23 a.m.), Gerri Hall, Rick Koon, Rob Rossi, Ben Banks, and Tom Athey
 Absent: None
 Staff Members Present: Dawn Barlow, Customer Service & Operations Support
 Consultants Present: Tim Carmel, Legal Counsel
 Guests: Indian Hill Residents Martin Suits, Ray Feeser; Heron Crest Resident Bob Pusanik; Kingfisher Residents Carol Hayden, Jeannette Krone

II. PUBLIC/SHAREHOLDER COMMENT – None

III. REVIEW and APPROVAL OF MINUTES

a. June 15, 2016 - Motion to approve with Dawn Barlow's request to add meeting adjournment time made by Rob Rossi, seconded by Vic Montgomery. Motion passed 7 – 0. President Delehant will provide time of adjournment to Dawn.

IV. UNFINISHED BUSINESS - None

V. NEW BUSINESS

a. Insurance Renewal/Workers' Compensation – General Manager Koon reported that the insurance renewal is complete. Our workers' compensation premiums through State Fund have increased by \$600/month.
 b. Mid-Year Budget Analysis – General Manager Koon reviewed the 2016 Budget vs 2016 Expenses.

VI. GENERAL MANAGER'S REPORT

- Administration
 - General Manager Koon and AVMWC Representative Joe Rappa met with Adam Hill and SLO County staff to discuss permitting processes for groundwater wells within the lower San Luis Creek region.
 - Staff worked with Martin Suits to update the SMMWC bylaws.
- Operations
 - Staff replaced several leaking angle stops in Pelican Point and Indian Hill.
 - Dechance Construction replaced frames and covers on seven manholes. They also regouted the grade rings on the manholes.
 - Heron Crest HOA repaired a sinkhole on Playa Vista in front of the water booster station. The HOA believes there is a leak around our sewer at the next upstream manhole. At our request, Dechance Construction inspected the manhole and determined there is no leakage. General Manager Koon will inform Heron Crest HOA of their findings.
- Capital Projects
 - We are still testing the SCADA system.
- Additional Projects
 - SMS Sewer Service Contract – This item will be reviewed in the BOD's closed session.
 - ABCSD Regional Study – WSC scope of work has been approved and they have started the project.

VII. FINANCIAL STATEMENT

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

Cash and Reserve Funds as of June 30, 2016 are:

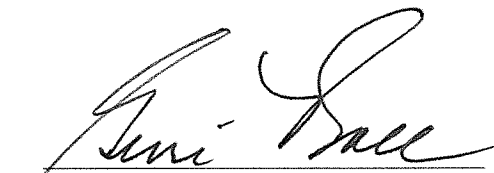
Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$157,599	\$355,009	\$177,487	\$1,969,050

- VIII. CLOSED SESSION – The Board went into closed session at 9:37 a.m.:
a. Review of Draft SMS Sewer Services Contract
- IX. RECONVENE TO OPEN SESSION – The Board reconvened to open session at 10:30 a.m.
- X. BOARD MEMBER COMMENT
- XI. ADJOURNMENT – Meeting was adjourned at 10:34 a.m.
- XII. UPCOMING BOARD MEETINGS AND AGENDA ITEMS
a. August 17, 2016 – Insurance Renewal – Liability/Vehicles; Identity Theft Prevention Program Update

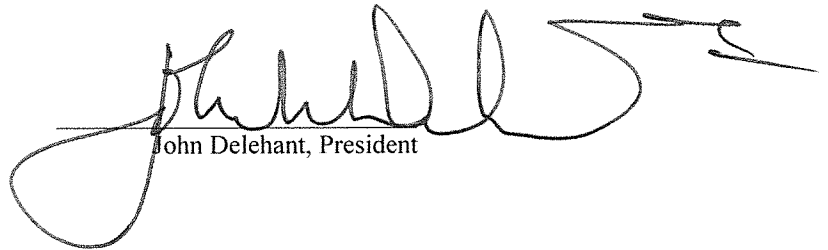
Proceeding reported by:
Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,

Approved:



Gerri Hall, Secretary



John Delehant, President