

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

9:00 A.M. Wednesday, June 21, 2019

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:00 a.m.

Board Members Present: Marvin St Pierre, John Delehant, Michael Nordstrom, Rick Koon, Gary Garcia(by phone), Rob Rossi, Martin Suits

Board Member Absent:

Staff Members Present: Michelle Edson

Consultants Present: Tim Carmel, Legal Counsel

Guests: Pelican Point Resident: Gerri Hall, Heron Crest Resident: Bob Pusanik, Indian Hill Residents: Heather Nelson, Sharon Suits, Ray Feeser, Kingfisher Residents: Carol Hayden, Jennette Krone, Robert Campbell, Avila Beach Resorts: Steve Rossi, Once Upon a Time Trustee: Paul Metchik. Covelop Holdings: Damien Mavis

II. PUBLIC/SHAREHOLDER COMMENT – None

III. REVIEW and APPROVAL OF MINUTES -

- a. May 15, 2019 BOD Meeting – Motion to approve by Rob Rossi seconded by Martin Suits. Motion passed 4 – 0, St Pierre, Nordstrom and Garcia abstained.

IV. DISCUSSION AND CONSIDERATION OF APPOINTMENT OF OFFICERS -

Motion to elect Marvin St Pierre as President was made by Martin Suits seconded by Gary Garcia.

Motion passed 7 – 0.

Motion to elect Michael Nordstrom as Vice President was made by Gary Garcia seconded by Martin Suits. Motion passed 7 – 0.

Motion to elect John Delehant as Financial Officer was made by Rob Rossi seconded by Marvin St Pierre.

Motion passed 7 – 0.

Gary Garcia volunteered to be Secretary Motion made by Michael Nordstrom seconded by Martin Suits.

Motion passed 7 – 0.

V. DISCUSSION AND CONSIDERATION TO APPROVE THE REGULAR BOARD MEETING SCHEDULE -

After a brief discussion about each member's availability. Motion to approve the third Friday of each month as the for the schedule for the Regular Board of Directors meeting was made by Martin Suits seconded by Rob Rossi.

Motion passed 7 – 0.

VI. DISCUSSION AND CONSIDERATION TO APPROVE A COST OF LIVING ADJUSTMENT TO THE SALARY SCHEDULE -

After a brief introduction about the topic by General Manager Koon a request was made by Gary Garcia to see any research done on comparable wages in our area. Marvin St Pierre pulled the 2018 Comparative Salary Schedule out of his binders and copies were made for each member and one emailed to Gary Garcia who was in attendance by phone. Motion made by Gary Garcia to delay this item until next month seconded by Michael Nordstrom Motion passed 5 – 2 Delehant and Koon against. Committee was formed to review the Salary Schedule Garcia, Nordstrom and Suits.

VII. PRESENTATION ON THE BASICS OF STATE WATER FOR SMMWC - Rick's presentation showed the route in which our State Water is wheeled, costs associated with each pipeline it travels through, and how it is allocated to both developed and undeveloped Shareholders.

VIII. GENERAL MANAGER'S REPORT -

- Administration

- Staff prepared for the Annual Meeting
- Staff assembled information for the CCR's.
- Health Insurance Renewal time

- Employee Reviews are being prepared
- Operations
 - Staff continues to replace water meters in Skylark Meadows. 33 of the 65 have been replaced. The process is slow as there are large roots wrapped around meters and service lines.
 - Staff cleaned lift stations 1, 2, 3, and SLBI lift station.
 - Cleaned the force main between lift station 1 and 2
 - Painting Wet Well 3 pumps.
 - All Wet Wells were pumped down and dirt and grit removed.
- Capital Projects
 - Pond 2 sludge removal continues with the pond almost all the way drained.
 - Continued to program telemetry system by installing additional data receivers.
 - Researching small utility vehicle for maintenance/meter reading tasks within the estates.
- Additional Project
 - SMS Sewer Service Contract – on hold
 - Reclaimed Water Use Study – on hold
 - Reserve Replacement Study – Developing an outline for a 10year plan
 - Marre House – on hold

IX. FINANCIAL STATEMENT

The Board Management Report for May 2019 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of May 31th, 2019, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
74,994	\$355,311	\$230,364	\$3,210,366


11:40am close session begins without Martin Suits


- X. CLOSED SESSION: No reportable actions
- XI.. BOARD MEMBER COMMENT – Gary Garcia asked how we balance conservation and income to keep the company solvent.
- XII. UPCOMING BOARD MEETING AND AGENDA ITEMS
 a. July 19, 2019
 b. Aug 16, 2019
- XIII. ADJOURNMENT –Meeting was adjourned at 12:15 p.m.

Proceeding reported by:
 Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:


 Gary Garcia, Secretary


 Marvin St Pierre, President