

San Miguelito Mutual Water Company

Minutes of the Board of Director's Meeting

9:00 A.M. Wednesday, June 21, 2017

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:03 a.m.

Board Members Present: John Delehant, Gerri Hall, Rick Koon, Rob Rossi
Ben Banks, Martin Suits
Absent: Tom Athey
Staff Members Present: Michelle Edson, Accounting & Administrative Manager
Consultants Present:
Guests: Indian Hill Residents Sharon Suits, Heather Nelson, Terrie Moffa, Robert Allen,
Heron Crest Resident Robert Pusanik and Rossi Enterprises Steve Rossi

II. PUBLIC/SHAREHOLDER COMMENT – None

III. REVIEW and APPROVAL OF MINUTES

- a. May 17, 2017 - Motion to approve as written made by Rob Rossi seconded by John Delehant. Motion passed 5 – 0 1 Absent 1 Abstained

IV. DISCUSSION AND APPOINTMENT OF COMPANY OFFICERS – Motion to keep the officers the same made by Gerri Hall seconded by Rob Rossi motion passed 6 – 0 1 Absent

V. DISCUSSION AND UPDATE ON SEVERAL COMPANY MATTERS – General Manager Rick Koon updated the board and shareholders in attendance on the following matters.

- a. The official THM results have come back and we are well below the allowable amount.
- b. We are now able to go with the JPRIMA's Zenith insurance for our Workers Compensation Insurance it will save the Company about 30% of the cost.
- c. Our 2 projects have been submitted to the RWMG for grant funds. We have been added to the IRWM's project list.
- d. Sycamore Mineral Springs intends to build the 22 units, 2 or 3 at a time, John King will send us a letter detailing his construction plans. There may need to be modifications done to the short-term contract or a new long-term contract.
- e. The new well potholing is waiting on the contractors scheduling.
- f. Rick met with ABCSD and WSC for an update on the regional water recycling plan. The preferred site would be at the existing SMMWC plant. The Golf Course would be the best place to use the recycled water.

VI. DISCUSSION AND CONSIDERATION TO APPROVE A COST OF LIVING ADJUSTMENT TO THE SALARY SCHEDULE – Rick Koon presented the 2% and 3% COLA effects on the budget. Staff recommends a 3% COLA. Motion by Ben Banks to approve a 3% COLA seconded by Rob Rossi. Motion passed 6 – 0 1 Absent.

VII. GENERAL MANAGERS REPORT

- Administration

- The County has changed their treatment process to lower the Ph at the Lopez treatment facility. The State is requiring all agencies who take water from the plant to do additional Lead and Copper sampling. We will be doing sampling on July 10, 2017
- Interim water sampling has shown a reduction of THM's to below 50% of the MCL.
- Staff attended the RWMG meeting.
- We let the Operator I employee go after two weeks and have interview to new candidates for the position. The part time Operations Support position has been filled by Luz Santos and she is working out well.

- Operations

- Staff replaced several leaking angle stops in Pelican point.
- Staff is inspecting and repairing air vacs
- Dechance is replacing several manhole frames that have excessive wear.

- Capital Projects

- The contractor is scheduled to repaint tanks 100 & 200 in July.

VIII. FINANCIAL STATEMENT

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

Cash and Reserve Funds as of May 31th, 2017, are:


Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$118,978	\$355,107	\$226,854	\$2,325,906

- IX. BOARD MEMBER COMMENT – Rob Rossi suggested the use of backup batteries to avoid PG&E’s peek pricing events.
- X. UPCOMING BOARD MEETING AND AGENDA ITEMS
 - a. June 21, 2017 – Election of Officers & Staff Performance Reviews
 - b. July 19, 2017 – Mid Year Budget Review
- XI. ADJOURNMENT –Meeting was adjourned at 10:13 a.m.

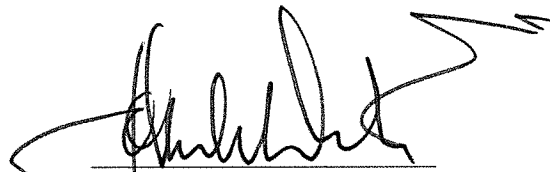
Proceeding reported by:
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:



Gerri Hall, Secretary



John Delehant, President