

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

9:00 A.M. Friday, March 19, 2021

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President Marvin St Pierre at 9:00 a.m.

Board Members Present: Marvin St Pierre, Rob Rossi (arrived at 9:04am), Rick Koon, Thomas Rinn, John Delehant, Michael Nordstrom (left at 9:26 a.m.)

Board Member Absent:

Staff Members Present: Brad Hagemann & Michelle Edson

Consultants Present: Timothy Carmel, Legal Counsel

Guests: Heron Crest Resident: Larry Bittner, Indian Hill Resident: Heather Nelson, Kingfisher Resident: Carol Hayden, Avila Beach Resorts: Pat Arnold, Rossi Enterprises, Steve Rossi

II. PUBLIC/SHAREHOLDER COMMENT – No Public comments

III. REVIEW and APPROVAL OF MINUTES –

- a. Feb 19, 2021 Regular Meeting Minutes - Motion to approve the minutes made by Michael Nordstrom seconded by John Delehant. Motion passed 5/0, Rossi absent.

IV. DISCUSSION AND CONSIDERATION TO APPROVE A ONE YEAR OR MORE TIME EXTENTION OF THE CONDITIONAL WILL SERVE LETTER FOR THE AVILA BY THE SEA PROJECT – There was a brief discussion by the Board. Motion to extend the will serve for 1 year was made by Michael Nordstrom seconded by Rick Koon. Motion passed 5/0, Rob Rossi abstained.

V. REVIEW OF THE DRAFT 2020 FINANCIAL STATEMENT – General Manager Brad Hagemann summarized the important points of the Draft 2020 Financial Statement prepared by Moss, Levy & Hartzheim. The Accountant concluded "...we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the US". The Board instructed Hagemann to contact the CPA's and give them the go ahead to finalize the 2020 Financial Statement.

President Marvin St. Pierre suggested that staff budget for a full audit for the 2021 Financial Statement.

VI. DISCUSSION AND CONSIDERATION TO ESTABLISH THE DATE FOR CANDIDATES TO SUBMIT THEIR QUALIFICATIONS FOR REVIEW AT THE APRIL 16TH MEETING, TO POST ON OUR WEBSITE AND BE ADDED TO NOTIFICATION PACKET BALLOT – Motion to set April 12, 2021 at the end of business day (4:30 PM) as the last day to provide SMMWC with candidate information to be included in the preprinted ballot material made by John Delehant seconded by Rick Koon. Motion passed 5/0, Michael Nordstrom absent (MN left the meeting at approximately 9:30 AM)

VII. DISCUSSION AND CONSIDERATION TO ESTABLISH PROCEDURE FOR HANDLING PROXY VALIDATION AND COUNTING VOTES – Motion to use the outline created by Julie Rodewald from the League of Women Voters for election procedure made by Rob Rossi seconded by Thomas Rinn. Motion passed 5/0, Michael Nordstrom absent.

VIII. DISCUSSION AND CONSIDERATION TO ESTABLISH OFFICIAL RECORD CLOSE OF BUSINESS DATE FOR 2021 ANNUAL SHAREHOLDER MEETING – Motion made to establish official record close of business day as May 10, 2021 at 4:30 PM made by Rob Rossi seconded by John Delehant. Motion passed 5/0, Michael Nordstrom absent.

IX. ROADMAP FOR LONG-TERM WATER STRATEGY COMMITTEE UPDATE – The Committee was unable to meet this month. However, staff is working with several water treatment vendors that provide salt reduction technologies. Staff is soliciting technical data on their treatment technologies and in some cases providing source water and/or water quality data to determine if their technology will cost effectively work for the Water Company.

Staff requested the Board authorize up to \$10,000 from the \$30,000 approved budget for Special Projects 1429.9 (Water Resources Analysis) for staff to retain Water Systems Consulting to assist with the solicitation and evaluation of potential water treatment technologies. Motion to approve staff's request made by Rick Koon seconded by Rob Rossi. Motion passed 5/0, Michael Nordstrom absent.

X. GENERAL MANAGER'S REPORT -

- Administration
 - CPA's List of requested items
 - Doorhangers and phone calls for meter change at Heron Crest booster Station
 - Shareholder's request for share certificate log
- Operations
 - Monthly Water and Wastewater compliance sampling
 - Monthly reports sent to the regulatory agencies
 - Water & Wastewater rounds daily
 - Avila Valley Mutual – coordinated/supervised contractor to pull the pumps, wire brush the casings, review the video logs and install new pumps for both wells. Flushed wells, disinfected, sampled and we are waiting for test results to put the wells back on-line.
 - Continued to support project at the San Luis Bay Inn to re-route storm drain out of the wastewater collection systems.
- Capital Projects
 - Started work on the SCADA and telemetry projects, inspected all 12v and 24v systems.
 - Working with our SCADA systems support contractor to improve system security and minimize any potential impacts from persons trying to hack in to the system.
 - Tank 550 Project – Installed bypass piping in preparation of taking the tank off-line; retained tree trimming contractor to trim trees around tank to allow room for scaffolding; Tank coating contractor is tentatively scheduled to start work the week of March 22nd.
- Additional Projects
 - Marre Weir – On March 10, 2021, staff attended the Fish Passage Meeting #2B. The group made significant progress on identifying a Preferred Alternative to advance to the 65% design. Several agency staff members were going to coordinate with their colleagues and report back to the group.

VIII. FINANCIAL STATEMENT

The Board Management Report for February 28th was presented by General Manager Brad Hagemann with the following highlights:

Cash and Reserve Funds as of February 28, 2021 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$151,542	\$355,437	\$94,594.	\$4,070,087

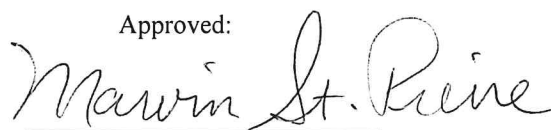
IX. BOARD MEMBER COMMENT – Marvin St Pierre requested that we add a closed session to the April agenda to address a delinquent account.

XI. ADJOURNMENT – Meeting was adjourned at 10:33 a.m.

Proceeding reported by:
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,


Rick Koon, Secretary

Approved:

Marvin St Pierre, President