

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

9:00 A.M. Wednesday, May 20, 2015
Company Office, Avila Beach, California

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, Rick Koon, Tom Athey, Vic Montgomery, and Rob Rossi
Absent: Ben Banks
Staff Members Present: Operations and Maintenance Supervisor Dan Migliazzo, Customer Service and Operations Support Dawn Barlow
Consultants Present: Legal Counsel Tim Carmel
Guests: Indian Hill Ray Feeser

II. PUBLIC/SHAREHOLDER COMMENT –

III. CLOSED SESSION - None

IV. RECONVENE TO OPEN SESSION - None

V. REVIEW and APPROVAL OF MINUTES

- Minutes of the April 15, 2015 regular meeting were approved on motion by Vic Montgomery, seconded by Rob Rossi. Motion passed 6 – 0

VI. UNFINISHED BUSINESS - None

VII. NEW BUSINESS –

a. Approval of 2014 Financial Review – After review and discussion, a motion was made by Tom Athey, seconded by John Delehant to approve the 2014 Financial Statements with minor changes as noted. Motion passed 6 – 0.

VIII. GENERAL MANAGER'S REPORT

- Administration

- State Water deliveries continue to be projected at 20% for 2015.
- The County request Zone 3 water contractors to sign an agreement reclassifying 900 acft of State Water as Lopez Water. This is a one-time reclassification and may lead to a more flexible management methodology for Lopez which in turn could benefit all SWP and Lopez contractors. Vic Montgomery wanted to know if this was a one-time agreement with the County. General Manager Koon said yes and that he is preparing a letter SLO County clarifying our position.
- The annual Shareholder Meeting Notice was mailed to our shareholders on May 5, 2015.

- Operations

-Water

- Heron Crest Booster Station - Updating to the VFD's and control equipment has been completed.
- Kingfisher Booster Station – New VFD's have been installed and the final booster pump was installed.
- Staff is looking into installing a solar powered chlorinator at tank 400 similar to the one installed at 100 & 200.

-Wastewater

- The WWTP continues to operate efficiently.
- All lift stations are functioning normally.

- Vic Montgomery asked if our wastewater had any monetary value. General Manager Koon replied that because our wastewater is not treated to Title 22 standards, there is none.
- Capital Projects
 - Lift Station #3, pump #2 has been reinstalled and is functioning well.

IX. FINANCIAL STATEMENT

The Board Management Report for April 2015 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of April 30, 2015 are:

| Operating Cash | Operational Contingency Reserves | State Water Reserves | Capital Reserves |
|----------------|----------------------------------|----------------------|------------------|
| \$173,381 | \$354,889 | \$224,932 | \$1,648,338 |

X. BOARD MEMBER COMMENT - None

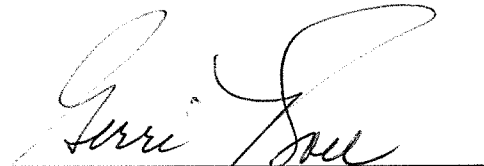
XI. ITEMS FOR NEXT AGENDA- New State Water Code – Usage Restrictions

VIII. ADJOURNMENT – Motion to adjourn made by Vic Montgomery, seconded by John Delehant. Motion passed 6 – 0. Meeting was adjourned at 10:11 a.m.

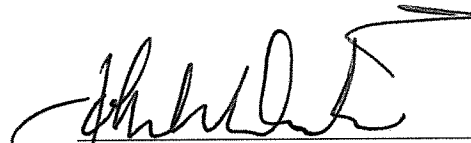
Proceeding reported by:
Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,

Approved:



Gerri Hall, Secretary



John Delehant, Board President