

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

9:00 A.M. Wednesday, November 16, 2016
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, Tom Athey, Gerri Hall (left at 10:32), Rick Koon, Rob Rossi (left at 10:48), Ben Banks (left at 10:30am)
Absent: Vic Montgomery
Staff Members Present: Michelle Edson, Accounting and Administrative Manager
Consultants Present: Geologist Tim Cleath
Guests: Indian Hill Residents Martin Suits, Ray Feeser; Kingfisher Resident Robert Campbell; Avila Land Development Jeff Loughead; Rossi Enterprises Steve Rossi

II. PUBLIC/SHAREHOLDER COMMENT – None

III. REVIEW and APPROVAL OF MINUTES

a. September 21, 2016 - Motion to approve as written made by John Delehant, seconded by Rob Rossi. Motion passed 6 – 0.

IV. DISCUSSION AND CONSIDERATION TO APPROVE THE LONG TERM SEWER SERVICE CONTRACT WITH SYCAMORE MINERAL SPRINGS

- General Manager Rick Koon informed BOD that this item has been pulled at the request of SMS. Item will possibly be presented at the January BOD meeting.

V. DISCUSSION AND CONSIDERATION OF THE LOCATIONS FOR THE PISMO FORMATION WELL

- Tim Cleath handed out copies of a map, a letter to the BOD members and with an overhead diagram of SMMWC's service area discussed possible locations for new wells. Discussion among BOD members and residents on depth of discussed well, potential production, timing, and costs. Motion by John Delehant to have Tim Cleath pursue 2 locations, Coffeeberry/Lupine Canyon and Firehouse Canyon, obtain approvals by regulatory agencies and perform investigative actions including pot holing at the Coffeeberry /Lupine Canyon location, seconded by Rob Rossi. Motion passed 6 – 0.

VI. DISCUSSION AND CONSIDERATION TO APPOINT REPRESENTATIVES TO THE STATE WATER CONTRACTORS ADVISORY COMMITTEE.

- The Board discussed the need for representation as a state water subcontractor. Motion to appoint General Manager, Rick Koon to serve as SMMWC's representative with staff as alternate by John Delehant, seconded by Rob Rossi. Motion passed 6 – 0.

VII. DISCUSSION AND CONSIDERATION TO JOIN THE REGIONAL WATER MANAGEMENT GROUP(RWVG), ADOPT THE 2014 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) PLAN AND SIGN THE MOU.

- Staff reviewed the benefits of joining the RWVG, after some Board discussion, motion to approve Resolution 2016-001 adopting the 2014 San Luis Obispo County Integrated Regional Water Management Plan and Finding that the Project is Exempt From Section 2100 ET SEQ. of the California Public Resources Code (CEQA) by Rob Rossi, seconded by Ben Banks. Motion passed 6 – 0.

VIII. GENERAL MANAGERS REPORT

- Rick Koon reviewed his GM report.
- Rick Koon and Tom Athey presented the new format for the 2017 budget. The 2017 Budget will now be divided into two sections, Water fund and Wastewater fund.
- The Draft 2017 Budget will be presented for approval in December

IX. FINANCIAL STATEMENT

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

Cash and Reserve Funds as of October, 2016 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$100,216	\$355,045	\$255,524	\$2,151,199

X. BOARD MEMBER COMMENT – None

XI. UPCOMING BOARD MEETING AND AGENDA ITEMS

a. December 21, 2016 – 2017 Draft Budget

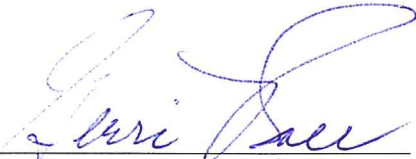
XII. ADJOURNMENT –Meeting was adjourned at 10:48 a.m.

Proceeding reported by:

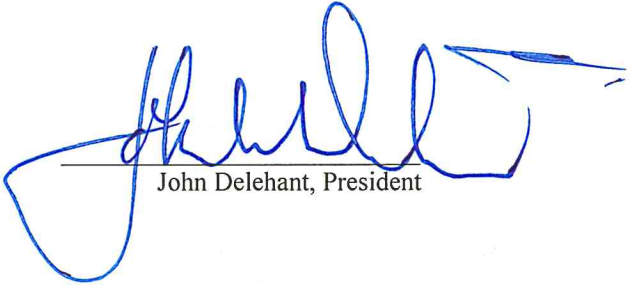
Michelle Edson, Accounting and Administrative Manager

Respectfully Submitted,

Approved:



Gerri Hall, Secretary



John Delehant, President