

San Miguelito Mutual Water Company

Minutes of the Regular Board of Director's Meeting

9:00 A.M. Friday, October 16, 2020

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, John Delehant, Michael Nordstrom, Rob Rossi (9:20am), Rick Koon, Thomas Rinn, Gary Garcia

Board Member Absent:

Staff Members Present: Brad Hagemann & Michelle Edson

Consultants Present: Timothy Carmel, Legal Counsel

Guests: Heron Crest Resident: Larry Bittner Quail Canyon Resident: Paul O'Malley, Indian Hill Resident: Heather Nelson, Rossi Enterprises, Steve Rossi.

II. PUBLIC/SHAREHOLDER COMMENT – Larry Bittner asked if San Miguelito has automated meter reading capabilities at this time. Brad Hagemann answered that not all meters in our system are capable of that and that it would be costly to change out all of them. Brad asked Rick Koon if he could add anything to that. Rick stated at this time even our billing system is not set up for that. It usually only takes one day for the employees to read meters and they are also able to see maintenance that needs to be done. Does SMMWC have a plan for it in the future? Brad answered that there are not any plans for it at this time.

III. REVIEW and APPROVAL OF MINUTES –

- a. September 18, 2020 Regular Meeting Minutes - Motion to approve the minutes made by Michael Nordstrom, seconded by John Delehant. Motion passed 5/0, Rossi, absent and Garcia, abstained.

IV. DISCUSSION AND CONSIDERATION TO RENEW THE LINE OF CREDIT WITH WELLS FARGO BANK - The Directors had a brief discussion about the amount, \$350,000 and interest rate. Motion by Michael Nordstrom to renew the line of credit, seconded by John Delehant. Motion passed 6/0, Rossi absent.

V. REPORT AND DISCUSSION FROM AD HOC COMMITTEE – Roadmap for Long-Term Water Strategy

VI. DISCUSSION AND CONSIDERATION FOR APPOINTING BRAD HAGEMANN AS REPRESENTATIVE FOR THE STATE WATER SUBCONTRACTORS ADVISORY COMMITTEE – Michael Nordstrom volunteered to serve as the alternate to Brad Hagemann. Motion to have Brad Hagemann be SMMWC's representative and Michael Nordstrom be the alternate for the State Water Subcontractors Advisory Committee made by Rob Rossi, seconded by Marvin St Pierre. Motion passed 7/0.

VII. GENERAL MANAGER'S REPORT -

- Administration

- Lead and Copper Testing phone calls to solicit participation and reminder letters.
- 2021 Draft Budget analysis and preparation.
- Submitted initial State Water request to the County for 2021(120AF).

- Operations

- Monthly Water and Wastewater compliance sampling
- Monthly reports sent to regulatory agencies
- Water and Wastewater rounds daily
- Flushed Wastewater Lift Stations
- Flushed Blue Heron Drive water main
- Continued with system-wide manhole inspections.
- Removed and replaced straw waddles at the WWTP ponds.

- Capital Projects

- Refurbishment work at Lift Station #3 completed
- Drained and assisted with preparation of Water Tank 300 for exterior painting and interior structural inspection

-Additional Projects

- Marre Weir – Update provided as separate agenda item

- a. Draft Budget 2021 – Brad Hagemann used a Power Point presentation that showed historical revenue, expenses and usage from past years and projected for 2021. He also went over rates from neighboring agencies and 2021 draft rates. He then presented staff recommended Capital Projects for 2021. The Board of Directors will have the next month to review the draft budget and provide any recommendations to staff before the next board meeting.

VIII. FINANCIAL STATEMENT

The Board Management Report for September 2020 was presented by General Manager Brad Hagemann with the following highlights:

Cash and Reserve Funds as of September 30, 2020, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$217,177	\$355,425	\$100,064	\$3,860,139

IX. CLOSED SESSION CONFERENCE WITH DISTRICT LEGAL COUNSEL

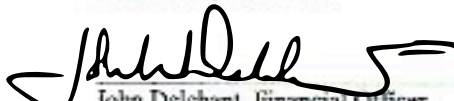
- a. Pending Litigation – Pacho Limited Partnership v. Eureka Energy Company - No reportable actions
b. Potential Litigation – No reportable actions

X. BOARD MEMBER COMMENT –

- XI. ADJOURNMENT – Meeting was adjourned at 10:50 a.m.

Proceeding reported by:
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,


John Delchant, Financial Officer

Approved:


Marvin St Pierre, President