

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

9:00 A.M. Wednesday, September 20, 2017

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:02 a.m.

Board Members Present: John Delehant, Tom Athey, Gerri Hall, Rob Rossi (left at 10:49), Ben Banks, Rick Koon, Martin Suits
 Absent: None
 Staff Members Present: Michelle Edson, Accounting & Administrative Manager
 Consultants Present: Tim Cleath
 Guests: Kingfisher Resident Robert Campbell, Heron Crest Resident Bob Pusanik and Rossi Enterprises Steve Rossi

II. PUBLIC/SHAREHOLDER COMMENT – None

III. REVIEW and APPROVAL OF MINUTES

a. August 16, 2017 - Motion to approve as written made by Martin Suits seconded by Ben Banks. Motion passed 7-0.

IV. DISCUSSION AND CONSIDERATION OF A RESOLUTION AUTHORIZING APPLICATION TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA FOR A CERTIFICATE OF CONSENT TO SELF-INSURE WORKERS' COMPENSATION LIABILITIES – After a brief discussion about the membership of the JPRIMA group of Mutual Water Company's and the reasons why we are now eligible, a motion to approve the resolution was made by John Delehant seconded by Tom Athey. Motion passed 7 – 0.

V. UPDATE AND DISCUSSION OF THE NEXT STEPS FOR THE NEW WELL – Tim Cleath used two overhead diagrams to go over the results of the pot holing performed at the beginning of August. He explained where and why he has picked the location to drill the New Well. The New Well would be at a depth to be within the Gragg Member part of the Pismo Formation which is not as vulnerable to salt water intrusion. GM, Rick Koon determined that the location is lot 61 owned by the SLBE Master Association. The BOD directed the GM to attend the next meeting of the San Luis Bay Estates Board of Directors on Tuesday September 26th at 5:00pm to discuss Mr. Cleath's findings.
 There was a motion made by Rob Rossi to Move Forward with New Well by Getting Bids for The Work and Report Back to The Board of Directors with Those Bids seconded by John Delehant. Motion passed 7/0

VI. GENERAL MANAGERS REPORT

- Administration
 - Completed and sent our State Water allocation request. We have increased our request to 120 acft for next year. The DWR is predicting a minimum 15% delivery in 2018
 - Estimated the usage numbers for the SMS option to extend the 11th contract.
 - Staff contacted 45 homes in Heron Crest for booster station pipe replacement.
- Operations
 - Replaced multiple angel stops in Pelican Point
 - Staff replaced an 8-foot section of leaking manifold pipe in the Heron Crest Booster station.
 - Our newest employee, Anthony, is going to start standby duty at the end of this month.
- Capital Projects
 - The backup generator for the office is installed.
 - Tanks 100 & 200 & 400 have been repainted.

VII. FINANCIAL STATEMENT

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

Cash and Reserve Funds as of August 31st, 2017, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$223,653	\$355,125	\$196,941	\$2,412,906

- VIII. CLOSED SESSION: No reportable actions were taken
- IX. BOARD MEMBER COMMENT – None
- X. UPCOMING BOARD MEETING AND AGENDA ITEMS
 - a. October 18, 2017 – Update on New Well.
- XI. ADJOURNMENT –Meeting was adjourned at 11:29 a.m.

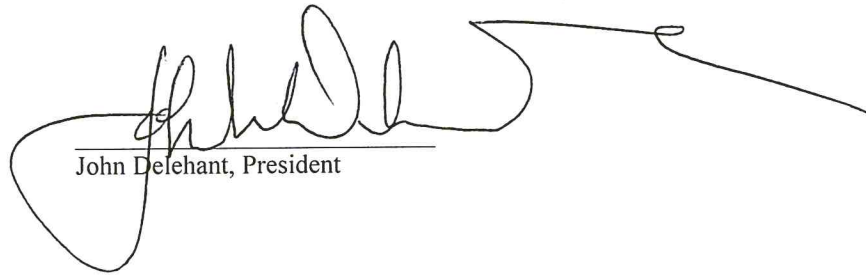
Proceeding reported by:
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:



Gerri Hall, Secretary



John Delehant, President