

# San Miguelito Mutual Water Company

## Minutes of the Regular Board of Director's Meeting

9:00 A.M. Friday, September 20, 2019

### I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President Marvin St Pierre at 9:01 a.m.

Board Members Present: Marvin St Pierre, John Delehant, Michael Nordstrom, Rob Rossi, Gary Garcia, Martin Suits, Rick Koon

Board Member Absent:

Staff Members Present: Michelle Edson

Consultants Present: Tim Carmel, Legal Counsel

Guests: Indian Hills Resident: Sharon Suites, Jack Jenkins, Heron Crest Resident: Bob Pusanik, Dominique Dunn, Kingfisher Residents: Andrew Winterbottom, Carol Hayden, Bob Campbell, Quail Canyon Resident: Paul O'Malley, Once Upon a Time Trustee: Paul Metchek, Avila Beach Resort: Steve Rossi

### II. PUBLIC/SHAREHOLDER COMMENT –Bob Pusanik inquired about SMMWC's bylaws pertaining to a General Manager serving on the Board of Directors

### III. REVIEW and APPROVAL OF MINUTES –

- a. August 16, 2019 BOD Meeting – Motion to approve made by Rob Rossi seconded by Martin Suits. Motion passed 6 – 1 Michael Nordstrom, abstained.

### IV. DISCUSS AND ESTABLISH HOLIDAY MEETING SCHEDULE – Brief discussion on availability of all members for the November board meeting Friday, November 15<sup>th</sup> - seems to work for all and unless there is an important meeting item December's board meeting may be cancelled. The board also discussed October's board meeting and decided to cancel the regularly scheduled meeting on the 18<sup>th</sup> and to do a special meeting on the 25<sup>th</sup> due to Board Members' attendance.

### V. REVIEW 2020 STATE WATER ALOCATIONS REQUEST AND DISCUSS STATE WATER POSSIBILITIES AND LIMITATION – Staff emailed and handed out a copy of our 2019-2023 State Water request. The requested amount escalates each year, with 2023 being 198 acft. Staff plans on requesting the same escalating amounts for our 2020-2024 request. Martin Suits asked if we project the usage to be 198 acft at build out? GM Rick Koon answered that it is hard to know until build out is completed and we can gather historical data. Michael Nordstrom is going to explore possibilities of state water, the unused allotment, storage, the delta fix and the County's excess water. This State Water item will be agenized monthly to be prepared for future changes

### VI. DISCUSS AND CONSIDER AVILA VALLEY MUTUAL WATER SERVICE CONTRACT RENEWAL – Staff emailed and also handed a copy of the contract to each Director. Legal Counsel recommended that we make some modifications. The Board Members agreed, Legal Counsel will revise the contract and email each Director a red lined version of the contract. Directors will review and respond with their comments within three days.

### VII. DISCUSS AND REVIEW COMPANY BYLAWS TO DEVELOP BOARD POLICY FOR INFRASTRUCTURE REPLACEMENT IN THE AREAS THAT HAVE REACHED LIFE EXPECTANCY – Prior to the meeting the BOD received an email from staff with Article VI section 2 of the company bylaws. This section covers establishing rates, charges, rules and regulations. The Board discussed differences between each development and the need of some of the older areas infrastructures to be updated due to age. The Board also discussed coming up with a consistent procedure to handle the cost. This Item will be addressed at a later date.

### VIII. REVIEW AND DISCUSS AVILA BEACH CSD AND SMMWC'S WATER REUSE REPORT – The Executive summary was provided to the Directors and they discussed recycled water treatment options and use.

### IX. GENERAL MANAGER'S REPORT -

- Administration

- Development of average usages for 2020 budget revenue.

- Began to gather data for our budget rate study.

- Preparing expense estimates and capital project list for 2020 budget
- Staff was contacted by IT support; we need to replace 4 desk top units, 1 laptop and upgrade all computers to windows 10 and office 365. The estimate \$4,500. with an additional \$50.00 per month for office 365 subscription. Upgrades will be done during the next month to avoid the January 1, 2020 expiration.
- Operations
  - LS 2 pump grit out maintenance performed.
  - WWTP put up post and bio hazard signs.
  - Paint fire hydrants throughout district.
  - Meter replacements started in Kingfisher.
- Capital Projects
  - Pond 2 sludge removal digging out with tractor going down 10ft.
  - New aerator for WWTP waiting for installation.
  - Continued to program telemetry system by installing new data receivers.
  - Purchased small utility vehicle for maintenance/meter reading tasks within the estates.
  - Atech tested the well and staff resampled the well. Still waiting on the results for both.
- Additional Project
  - SMS Sewer Service Contract – on hold
  - Reserve Replacement Study – Developing an outline for a 10year plan.
  - Marre House – Met with Representatives and discussed future water and fire requirements.

X. FINANCIAL STATEMENT

The Board Management Report for August 2019 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of August 31, 2019, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$82,951	\$355,347	\$129,679	\$3,380,096

XI. BOARD MEMBER COMMENT – Martin Suits requested that the Harford wells be tested to see what it would take to be able to use the water from them. GM Rick Koon suggested that the Directors go online and review the Water Resource Analysis Report done by Garing and Taylor in 2015 which discusses the cost to bring the Harford wells online. It was decided that we would run the General Chemistry test again and that the cost would come out of the water strategic planning line. The Board also discussed agenda items being submitted no later than two weeks before a Board meeting to Board President Marvin St Pierre for consideration.

XII. UPCOMING BOARD MEETING AND AGENDA ITEMS

Meetings

- a. October 18, 2019 Cancelled
- b. October 25, 2019 Special Meeting

Agenda Items

- c. Draft Budget
- d. Rate Study
- e. Infrastructure System Workings
- f. Atech well results
- g. Personnel (Closed Session)

XIII. ADJOURNMENT –Meeting was adjourned at 11.37 a.m.

Proceeding reported by:

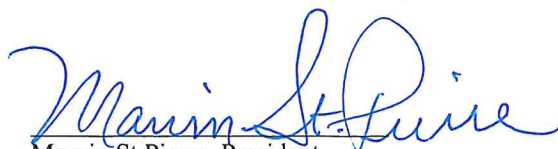
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:



Gary Garcia, Secretary



Marvin St Pierre, President