

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

9:00 A.M. Friday, September 17, 2021

**I. CALL TO ORDER AND ROLL CALL**

Meeting called to order by Board President Michael Nordstrom at 9:01 a.m.

Board Members Present: Michael Nordstrom, Marvin St Pierre, Rob Rossi, Rick Koon, Paul O'Malley, Larry Bittner and Robert Peterson

Board Member Absent: None

Staff Members Present: Brad Hagemann & Michelle Edson

Consultants Present: Edward Jones Investments Davis Gaddis & Jessica Fetcho

Guests: Heron Crest Resident: Bob Pusanik, Rossi Enterprises: Steve Rossi, Indian Hill Resident: Heather Nelson, Pelican Point Resident: Terri Belsley

**II. PUBLIC/SHAREHOLDER COMMENT** – Bob Pusanik commented on Lopez and State Water. Bob Pusanik advises that during the draw down test of wells 4a 5a and 6a we check well 7.

**III. REVIEW and APPROVAL OF MINUTES** –

- a. August 20, 2021 Regular Meeting Minutes - Motion to approve the minutes made by Larry Bittner seconded by Paul O'Malley. Motion passed 7/0.

**IV. DISCUSSION OF RESERVE INVESTMENTS** – David Gaddis handed out a packet to each of the Board Members and General Manager. He then gave a presentation on alternate investments for our Capital Reserve insured Certificate of Deposits such as Stocks, Preferred Vanguard, S&P 500 etc. The Board of Directors decided to form a Finance Committee Larry Bittner, Rob Rossi and Paul O'Malley volunteered to serve on the committee. President Nordstrom requested the committee to prepare a draft investment policy for Board review and also to make a list of possible investments for board consideration. Director Koon and GM Hagemann offered to supply the committee with sample policies from other districts.

**V. DISCUSSION AND CONSIDERATION OF CONTRACT WITH WATER SYSTEMS CONSULTING INC.** – Motion to retain Water Systems Consulting to prepare the grant applications made by Paul O'Malley. Motion failed with no second. Motion to authorize an additional \$25,000. to retain Water Systems Consulting to assist staff with selection of treatment technology, preliminary design, site constraints and treatment by-product waste disposal issues made by Paul O'Malley. Motion failed without a second. The BOD directed GM Hagemann to: 1. Complete a draw down test of the wells; 2. After draw down test, take a general mineral sample of the wells; 3. Determine necessary treatment to be within regulator required Maximum Contaminate Levels (with consultant assistance); 4. Amend Water Resource Report; and 5. Update BOD

**VI. GENERAL MANAGER'S REPORT** –

GM Hagemann summarized the GM Report with the following highlights:

- Administration
  - Employee interviews and selection
- Operations
  - Worked with contractor to pull, diagnose, and reinstall the pump at Lift Station #2
  - Isolated and drained Tank 200 from the water distribution system in preparation for contractor to clean and inspect
- Capital Projects
  - Tank 200 completion of cleaning and inspection. Corrosion on the top of the structure is significant and will involve a more extensive work. The contractor is fabricating a new top plate. The tank will be off line for approximately 45 days, this will not impact our system. Upon completion of Tank 200 staff will begin draining Tank 100 for cleaning and inspection.
- Additional Projects
  - Regional Water Quality Control Board issued a revised Monitoring and Reporting Program (M&RP) to be implemented immediately.
  - Staffing - We are happy to report the new addition of Shannon Santos to our administrative staff.

VIII. FINANCIAL STATEMENT

The Board Management Report for August 31<sup>st</sup> was presented by General Manager Brad Hagemann with the following highlights:

Cash and Reserve Funds as of August, 2021 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$206,303	\$355,456	\$219,495	\$4,322,867

IX. BOARD MEMBER COMMENT – None

XI. ADJOURNMENT – Meeting was adjourned at 11:04am

Proceeding reported by:  
Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

  
Robert A. Peterson, Secretary

Approved:

  
Michael Nordstrom, President