

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

9:00 A.M. Wednesday, September 19, 2018

## I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:06 a.m.

Board Members Present: John Delehant, Rick Koon, Marvin St. Pierre, Gerri Hall, Rob Rossi and Martin Suits  
Board Member Absent: Ben Banks  
Staff Members Present: Michelle Edson, Accounting & Administrative Manager  
Consultants Present: Tim Carmel, Legal Counsel  
Guests: Indian Hill Residents: Heather Nelson and Sharon Suits, Heron Crest Residents: Bob Pusanik, Karla Bittner and Larry Bittner, Pelican Point Resident: Sherri Danoff, Kingfisher Resident: Robert Campbell Skylark Meadows Residents Judy Ivarie and Paula Dempsey.

II. PUBLIC/SHAREHOLDER COMMENT – Mr. Bittner is interested in shares being issued to the open space lots. Ms. Danoff would like us to determine what the safe yield is for our groundwater basins.

## III. REVIEW and APPROVAL OF MINUTES

a. August, 2018 BOD Meeting – Motion made by Marvin St. Pierre, Seconded by Gerri Hall. Motion passed 6 – 0 Banks absent

IV. DISCUSSION AND CONSIDERATION REGARDING THE USE OF PROXIES FOR THE ANNUAL SHAREHOLDERS MEETING – Legal Counsel read from Corporate Code section 178, the description of a proxy, and section 705A, the specifics of a proxy. After some discussion the Board directed staff to revise the current proxy form and present it at the October meeting.

V. DISCUSSION REGARDING THE SAN LUIS BAY INN TIMESHARE ASSOCIATION PROXY MATTER- Legal Counsel gave a brief explanation of how the timeshares are structured and operated. The shares in San Miguelito Mutual Water Company are issued to the San Luis Bay Inn Timeshares Association Inc. This entity is managed by the San Luis Bay Inn Timeshares HOA. The HOA has the apparent authority to manage the shares issued which includes the ability to proxy or vote the shares as they choose. Mr. Bittner asked the if San Miguelito had received a proxy for the last Annual Meeting and it was confirmed that they had.

## VI. GENERAL MANAGERS REPORT

### - Administration

- Completed the U.S. Business Census Reporting
- On the 3<sup>rd</sup> staff led a tour of our Water and Wastewater treatment facilities. We had 8 people attend.
- ABR has submitted their project to the County. As part of SMMWC's review, ABR has signed a reimbursement agreement and is furnishing SMMWC with an Engineering analysis of how their planned development will affect our water and sewer system.

### - Operations

- Staff Continues to replace angle stops in Pelican Point.
- Staff worked on the AVMWC tank to prepare it for cleaning.

### - Capital Projects

- No work was done on Capital Projects in August.

### - Additional Project

- SMS Sewer Service Contract – on hold
- Reclaimed Water Use Study – on hold
- Reserve Replacement Study – Developing an outline for a 10 year plan
- Marre House – No progress.

VII. FINANCIAL STATEMENT

The Board Management Report for August 2018 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of August 31st, 2018, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$170,815	\$355,240	\$220,407	\$2,599,753

VIII. BOARD MEMBER COMMENT –

IX. UPCOMING BOARD MEETING AND AGENDA ITEMS

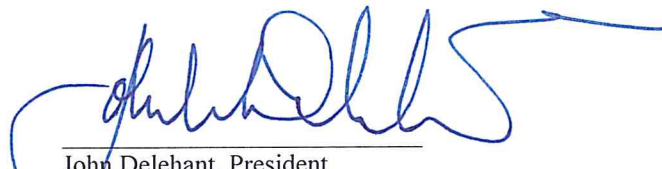
- a. October 17, 2018
- b. November 14, 2018

X. ADJOURNMENT –Meeting was adjourned at 10:18a.m.

Proceeding reported by:  
Michelle Edson, Accounting & Administrative Manager  
Respectfully Submitted,

Approved:

  
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Gerri Hall, Secretary

  
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John Delehant, President