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

9:00 A.M. Friday, July 24, 2026

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President Michael Nordstrom at 9:00 a.m.

Board Members Present:	Michael Nordstrom, Rob Rossi, Paul O'Malley, and Larry Bittner
Board Members Absent:	Robert Campbell, Marvin St Pierre
Staff Members Present:	Dwayne Chisam, Anel Perez
Consultants' Present:	None
Guests:	Bob Peterson

II. PUBLIC/SHAREHOLDER COMMENT – Bob Peterson inquired about eliminating postcard billing statements in the future. Staff advised that they are currently evaluating new billing software platforms with the goal of entirely phasing out postcard bills in the near future.

III. REVIEW AND APPROVAL OF MINUTES –

a. June 26, 2026, Regular Meeting Minutes - Motion to approve made by Paul O'Malley, seconded by Rob Rossi. Motion passed 3/0. Larry Bittner – abstained.

IV. APPROVAL OF PROPOSAL FOR WATER RATE STUDY AND SOFTWARE UPGRADE – General Manager Dwayne Chisam presented a proposal for a water rate study and software upgrade designed to calculate water rates and financial budgets for a 10-year projection. Motion to approve proposal made by Rob Rossi, seconded by Paul O'Malley. Motion Passed 4/0.

V. GENERAL MANAGER'S REPORT –

July 2026

<u>**Administration Report**</u>

Presented by Administrative Service Manager, Anel Perez

- 2026 Open Enrollment staff insurance benefits
- 2026 Cost-of-Living Adjustment (COLA)

<u>**Operations Report**</u>

Presented by Assistant General Manager, Ryan Smith

1. Staff Section

- Elijah has been with SMMWC for 1 year as of May 5th, 2026 (congratulations)
- Derek has been with us for 3 years now and was promoted to Operator 2
- Luis has been with us for 2 years now and was promoted to Operator 1

2. Water Report

- All tests for water came back non-detect.
- Staff continue to do monthly cleaning up.
- Staff are preparing for the upcoming summer and mid-year maintenance.
- Preparation for wildfire risk is in effect and tank levels and operations are making the adjustments as needed.
- We took 2,680,309 gallons of water from Well #5 and 4 during June.
- We took 2,449,545 gallons of Lopez State Water during June.
- We produced 5,129,854 gallons in total for the month of June.

Summary: Total water production for May was 4,551,961 gallons. Total water production for June was 5,129,854 gallons which includes a loss of 285,000 gallons from the Heron Crest Road break leak.
Not taking into account the leak SMMWC water production was up for the month of June 292,893 gallons.

3. Wastewater Report

- Wastewater samples came back great with a reduction on BOD and TSS
- Road cleanup was completed by staff.

- Generator maintenance occurred on 3 generators last month.
- Pump Maintenance was completed on all lift stations for the year.
- Discharge for the effluent treatment plant for the month of June was 2,173,001 gallons.

4. Hardness for Water

We continue to run a 50/50 Lopez and well water combination, which gives us a consistent level of hardness throughout the month.

- June 3rd: Hardness level was 477 mg/L
- June 16th: Hardness level was 482 mg/L
- June 30th: Hardness level was 491 mg/L

5. Capital Improvement Projects

- Well #6 has been cleaned and scrubbed, as well as 4 and 5 will be done this month.
- Seal coating Completed for all facilities.
- Telemetry solar upgrade on tank 100/200 started. Tank 400 telemetry solar is in August.

Small Projects Accomplished by Operators:

- Derek has completed a new concrete pad and cover for the UTV meter vehicles at the treatment plant.
- Elijah and Luis have installed 2 new solar powered aerators for the effluent pond.
- Concrete pad was installed in canvasback to help with an ongoing issue of a water valve box sinking. Concrete pad installed and no more potential line break.

Professional Services Contracts

Marre Weir
Nothing to report
Wastewater Alternative Study
New lease owners closed escrow

VI. FINANCIAL STATEMENT

The Board Management Report for June 30, 2026, was presented by General Manager, Dwayne Chisam with the following highlights:

Cash and Reserve Funds as of June 30, 2026, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
$105,864	$343,082	$183,066	$6,841,282

VII. PRODUCTION REPORT – The water mix for the year is 51% State Water 49% Well Water.

VIII. BOARD MEMBER COMMENT – None.

Executive session 9:35 am

IX. EXECUTIVE SESSION– No reportable action

Closed Executive session 10:00 am

X. ADJOURNED – 10:00 am

Proceeding reported by:
Anel Perez, Administrative Services Manager

Respectfully Submitted,

Michael Nordstrom, President

Approved:

Robert Campbell, Secretary