

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

9:00 A.M. Friday, March 17, 2023

I. CALL TO ORDER AND ROLL CALL

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

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

Board Member Absent: None

Staff Members Present: Michelle Koon & Ryan Smith

Consultants Present: None

Guests: Rossi Enterprises: Steve Rossi and Heron Crest Resident: Bob Pusanik

II. PUBLIC/SHAREHOLDER COMMENT – Bob Pusanik shared his concerns about our State Water being held in San Luis Reservoir that has almost reached capacity. Bob is worried that we will lose our banked water if the reservoir spills and remarked that that is why we need to sell our extra State Water. President Nordstrom let Bob know that we are currently in the process of achieving that goal.

III. REVIEW and APPROVAL OF MINUTES –

a. February 10, 2023, Special Meeting Minutes –

b. February 17, 2023, Regular Meeting Minutes – Motion to approve the minutes made by Marvin St Pierre, seconded by Rob Rossi. Motion passed 6 /1. Larry Bittner abstained as was not at the meetings.

IV. DISCUSSION AND CONSIDERATION OF CONSULTANT SERVICES AGREEMENT WITH DWYANE CHISAM FOR GENERAL MANAGER AND ENGINEERING SERVICES – President Nordstrom reported that a contract has been given to Mr. Chisam and he is currently reviewing it with his attorney.

V. DISCUSSION AND CONSIDERATION TO DESIGNATE DWAYNE CHISAM AS REPRESENTATIVE AND MIKE NORDSTROM AS ALTERNATE FOR THE STATE WATER SUNCONTRACTORS ADVISORY COMMITTEE – Item was deferred.

VI. DISCUSSION AND CONSIDERATION TO APPROVE A ONE YEAR EXTENTION OF THE CONDITIONAL WILL SERVE FOR AVILA BY THE SEA PROJECT – There was a brief discussion about concerns with our water supply, future discharge requirements and Shareholders rights. Motion to approve made by Mavin St. Pierre Seconded by Rick Koon. Motion passed 5/1. Rob Rossi abstained.

VII. DISCUSSION AND CONSIDERATION TO ESTABLISH OFFICIAL CLOSE OF BUSINESS DATE FOR 2023 ANNUAL SHAREHOLDER MEETING – It is the staff's recommendation that the Board of Directors establish Friday May 5th as the official close of business date for the 2023 Annual Shareholders Meeting. Motion to approve made by Marvin St. Pierre, Seconded by Rob Rossi. Motion passed 7/0.

VIII. DISCUSSION AND CONSIDERATION TO REALLOCATE A PORTION OF THE 2023 CAPITAL PROJECTS BUDGET TO INCLUDE THE WATER TREATMENT PLANT VARIABLE FREQUENCY DRIVES (VFD) – During the January storms the Water Treatment Plant suffered multiply power surges and outages causing the 2 VFD's circuitry to burn up and become in operable. It is the staff's recommendation that the Board of Directors reallocate a portion of the 2023 Capital Projects Budget to include the water treatment plant variable frequency drives (VFD). Motion to approve made by Robert Peterson, seconded by Rob Rossi. Motion passed 7/0.

IX. GENERAL MANAGER'S REPORT –

GM Report with the following highlights:

- Administration

- Drought Conservation Reporting for Jan 2023

- 2022 Information provided to Moss, Levy & Hartzhiem LLP

- New Employee Hired

- New Server Installed

- Operations

Water

- New Meters Have Been Delivered for The Indian Hill Meter Replacement Project.
- Weekly Hardness Testing Continues

<u>Test date</u>	<u>Hardness reading</u>
02/3/23	511 mg/l
2/15/23	616 mg/l
2/23/23	545 mg/l

Wastewater

- Monthly Sampling has been completed
- Annual WWTP Monitoring and Sampling report has been completed and has been set to the State Water Resource Control Board.

Capital

- QuickTech has installed the new server and rack system. We are still completing the telemetry systems communication and the bill payment portal on our website.

Additional Projects, Initiative, and Information

- Updated Employee Handbook has been completed we will distribute to all employees in February

X. FINANCIAL STATEMENT

The Board Management Report for February 28, 2023, was presented by Administrative & Accounting Manager, Michelle Koon with the following highlights:

Cash and Reserve Funds as of February 28, 2023, are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$25,563	\$355,607	\$125,218	\$5,032,623

XI. PRODUCTION REPORT – The water mix for the month is 42% Sate Water 58% Well Water with the Annual mix being 67% State Water and 33% Well Water.

XII. BOARD MEMBER COMMENT – Rick Koon briefly discussed the new standards for PFOA’s and ways to remove them from the water.

Adjourned to executive session 10:12am

XIII. EXECUTIVE SESSION – No Action

XIV. ADJOURNED – 10:45am

Proceeding reported by:
Michelle Koon, Accounting & Administrative Manager

Respectfully Submitted,

Approved:


Michael Nordstrom, President


Robert Peterson, Secretary