

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

9:00 A.M. Friday, July 15, 2022

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, Marvin St Pierre, Rob Rossi, Rick Koon, Paul O'Malley and Larry Bittner

Board Member Absent: Robert Peterson

Staff Members Present: Geoff English & Michelle Edson

Consultants Present: None

Guests: Rossi Enterprises: Steve Rossi, Heron Crest Resident: Bob Pusanik and Pelican Point Resident: Gerri Hall

- II. PUBLIC/SHAREHOLDER COMMENT – Mr. Bob Pusanik thanked the SMMWC maintenance people for notification of a possible leak. He also asked why the draw down curves were not included in the recent Groundwater Reliability Technical Memorandum. President Nordstrom let Mr. Pusanik know that there is an agenda item that will cover that question. Vice President St Pierre pointed out the report's reference of the 2021 Pump Testing Technical Memorandum (located on website at [smmwc.com](http://smmwc.com)). Mr. Pusanik also made notice of the second closed session about State Water and questioned if the subject should be covered in open session since the sale of State Water is a concern for all shareholders. President Nordstrom let him know that at this point the Board of Directors are taking care of foundational items.
- III. REVIEW and APPROVAL OF MINUTES –
- a. June 17, Regular Meeting Minutes - Motion to approve the minutes made by Larry Bittner, seconded by Paul O'Malley. Motion passed 6/0, Director Peterson absent.
- IV. PRESENTATION- REVIEW OF LOWER SAN LUIS CREEK FISH PASSAGE DESIGN AND HABITAT IMPROVEMENT PROJECT (MARRE WEIR) 65% PLANS –This item will be moved to the August Board meeting; Dylan Wade from Water Systems Consulting is unable to attend due to covid.
- V. DISCUSSION AND CONSIDERATION OF MID-YEAR BUDGET ADJUSTMENTS – General Manger English presented recommendations for deferred and additional projects to the Capital Budget. An overall reduction to 2022 Capital Projects Budget of \$747,000. Motion to except changes as presented made by Rick Koon, seconded by Marvin St Pierre. Motion passed 6/0, Director Peterson absent
- VI. DISCUSSION AND CONSIDERATION OF ACCEPTANCE OF CLEATH HARRIS GEOLOGISTS GROUNDWATER RELIABILITY TECHNICAL MEMORANDUM - The Board of Directors has been considering the option to sell some of the Company's 275 Acre Feet of State Water. This Memorandum was done to confirm the following assumptions.
- 1. The primary SMMWC primary wells, 4A, 5A and 6A are located at the outfall of a large watershed area that funnels to a "pinch-point" near these primary SMMWC wells.
  - 2. The Marre Weir extends 65 feet below the surface of San Luis Creek, protects the SMMWC well field from sea water degradation and may have some benefit of increasing the recharge of primary well area for 4A, 5A and 6A.
  - 3. The City of San Luis Obispo is required by the Department of Fish and Wildlife to maintain a recycled water discharge to San Luis Creek, also contributing to recharge of the primary SMMWC well field area.
  - 4. The City of San Luis Obispo primarily uses imported water and has fluctuating but limited demand on groundwater from the groundwater basin, further contributing to increased recharge of the overall basin.
- Motion to accept this Technical Memorandum made by Rob Rossi, seconded by Paul O'Malley. Motion passed 6/0, Director Peterson absent.

VII. GENERAL MANAGER'S REPORT –

GM Report with the following highlights:

- Administration

- SMMWC & AVMWC mailing & certification email
- AVMWC Lead & Copper phone calls and mailer
- EDD Audit Employee & Sub-Contractors
- Water Quality Survey information input

- Operations

Water

- Completed water quality sampling for the distribution system
- Emergency response to a water line break resulting in a loss of water to multiple homes
- In house water hardness testing results Well 4A – 528 & Tank 550 – 381.
- We received the standby pumps at lift stations #1 and #2. They will be scheduled for installation in the next few weeks and the pumps that are being taken out will be rebuilt for backup.

Wastewater

- Floating Aerator #3 at the WWTP was removed and replaced with a new one. The motor from the remove one will be rebuilt and swapped out of the Floating Aerator #4 that has been operating for 13 years.

Additional Projects, Initiative and Information

- Recruitment - Utility System Operator. A candidate has been selected and a conditional job offer letter has been given.
- The Roadmap for Long-term Water Strategy Committee met on July 12, 2022 to review draft Groundwater Reliability Technological Memorandum.

VIII. FINANCIAL STATEMENT

The Board Management Report for June 30, 2022 was presented by General Manager, Geoff English with the following highlights:

Cash and Reserve Funds as of June 30, 2022 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$92,607	\$355,485	\$96,731	\$4,791,896

IX. PRODUCTION REPORT – This month the water supplied to users was about 53% State Water & 47% Well Water.

X. BOARD MEMBER COMMENT – None

10:29AM the board went into Executive Session

XI. EXECUTIVE SESSION – No reportable actions

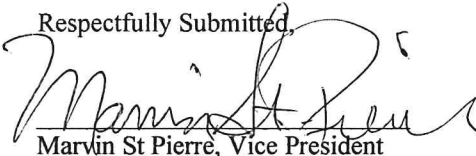
XII. ADJOURNED – 11:25AM

Proceeding reported by:

Michelle Edson, Accounting & Administrative Manager

Respectfully Submitted,

Approved:

  
Marvin St Pierre, Vice President

  
Michael Nordstrom, President