

San Miguelito Mutual Water Company

Minutes of the Board of Director's Meeting

9:00 A.M. Wednesday, January 20, 2016
Company Office, Avila Beach, California

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:08 a.m.

Board Members Present:	John Delehant, Tom Athey, Ben Banks, Vic Montgomery, Gerri Hall, Rick Koon, and Rob Rossi (left at 10:30 a.m.).
Absent:	None
Staff Members Present:	Dawn Barlow, Customer Service & Operations Support
Consultants Present:	Tim Carmel, Legal Counsel (left at 10:30 a.m.)
Guests:	Indian Hill Residents Sharon Suits, Philip Maniaci, Ray Feeser, Heather Nelson, Glenn Varano, Pat Hallock, Ann Feeser; Kingfisher Residents Carol Hayden, Jeanette Krone, Jim Hartig, Saro Rizzo, Rich Vorie; Pelican Point Resident Sherri Danoff; Heron Crest Residents Bob Pusanik, Ken Thompson; T.J. Gamble, SCM; Paul Metchik; Jeff Loughhead, Avila Land Investment, LLC

II. PUBLIC/SHAREHOLDER COMMENT – None

III. CLOSED SESSION – There were no items for closed session

IV. RECONVENE TO OPEN SESSION

V. REVIEW and APPROVAL OF MINUTES

- a. December 16, 2015 - Motion to approve as written made by Vic Montgomery, seconded by John Delehant. Motion passed 7 – 0.

VI. UNFINISHED BUSINESS

- a. Continuation of Discussion and Consideration to Approve Will Serve Procedures – General Manager Koon reviewed a PowerPoint presentation outlining SMMWCs policy decision and the necessary steps for processing/issuing Will Serve letters to SLO County. General Manager Koon said that a Preliminary Response Letter to the County needs to be sent within 14 days after SMMWC receives a new project referral. The Preliminary Response Letter will request detailed information- comprehensive project plans, infrastructure & utility improvements, site plans, engineer's report and an estimate of the projects water usage and sewer capacity needs. The Conditional Will Serve Letter will be issued with Board approval after SMMWC Staff review of the detailed project information and while the project is in review at the County. General Manager Koon asked the Board to approve the addition of the Preliminary Response Letter to the current Will Serve Procedure. The Will Serve Procedure was approved on motion by Vic Montgomery, seconded by Rob Rossi with the provision that the flow chart be modified to show issuance of the Conditional Will Serve Letter occurring after the Preliminary Response Letter is sent to the County and during the planning phase of a projects application. Motion passed 7 – 0.

VII. NEW BUSINESS –

- a. Water Resource Development Direction to Staff – General Manager Koon reviewed a summary of Water Resources Options as determined in the WRSA given to SMMWC. After discussing the listed options, a motion was made by Ben Banks, seconded by John Delehant directing General Manager Koon to work with Garing Taylor & Associates on the development of three water resource options along with reviewing SLO County procedures for use of excess State Water allocations: 1. Pismo Formation Well; 2. Golf Course Well #3; 3. Treated Effluent. Motion passed 7 – 0.
- b. Kingfisher Canyon Request for an Updated Water Supplier Letter – General Manager Koon reviewed the Will Serve letter for Kingfisher. He told the Board that the letter is an update to their existing will serve letter so the developers will have the ability to sell/build on their lots. Motion Made by Vic Montgomery, seconded by Rob Rossi to approve the Kingfisher Canyon Well Serve Letter as written. Motion passed 7 – 0.
- c. Draft January 2016 Newsletter – After some discussion, a motion was made by Ben Banks, seconded by John Delehant directing staff to make revisions as necessary, then print and mail the newsletter. Motion passed 7 – 0.

VIII. GENERAL MANAGER'S REPORT

- Administration

- Staff attended the State Water Subcontractors Committee meeting which reviewed the possibility of storing the County's excess allocation in the Paso Robles sub-basin.
- Year-end conservation numbers for 2015: Residential achieved a 30% reduction in water usage; Commercial achieved a 28% reduction in water usage. Residential HOA Irrigation achieved an 83% reduction and Commercial Irrigation achieved a 47% reduction in usage.
- GTA has estimated the cost to provide the WRSA reference material as being between \$800 and \$960.
 - Financial Officer Athey asked if GTA would be assuming liability for the reference material. General Manager Koon said that the reference material is non-proprietary and some of it is available on-line; however if any of the material is determined to be proprietary, then GTA will assume liability for it.
 - Director Montgomery wanted to know if there is a procedure in place for a shareholder to request access to the information and whether or not there were guidelines in providing copies of the material. General Manager Koon told the Board that after a request from the shareholder, either by phone, email or in person, the shareholder can review the documents in our office. General Manager Koon said that if the shareholder requests copies of the material the first 3 pages of the copies are provided at no cost, all additional copies will be charged to their account at \$0.35 per page copied.

- Operations

- There was a system wide power outage on January 3, 2016 at 1:30 a.m. Our backup power generators were all in use during the 24 hour outage.

IX. FINANCIAL STATEMENT

The Board Management Report for December 2015 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of December 31, 2015 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$78,655	\$319,690	\$279,066	\$1,919,191

X. BOARD MEMBER COMMENT

XI. ITEMS FOR NEXT AGENDA

- February 17, 2016 – Regular Board Meeting – Share Clarification; Review of Sycamore Sewer Contract

VIII. ADJOURNMENT –Meeting was adjourned at 11:10 a.m.

Proceeding reported by:

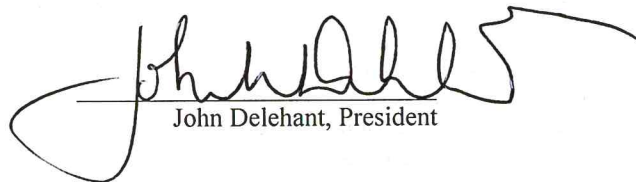
Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,



Gerri Hall, Secretary

Approved:



John Delehant, President