

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

9:00 A.M. Wednesday, May 18, 2016  
Company Office, Avila Beach, California

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:01 a.m.

Board Members Present:	John Delehant, Tom Athey, Vic Montgomery, Gerri Hall, Rick Koon, and Rob Rossi, Ben Banks,
Absent:	None
Staff Members Present:	Dawn Barlow, Customer Service & Operations Support
Consultants Present:	Tim Carmel, Legal Counsel
Guests:	Kingfisher Residents Carol Hayden, Jeannette Krone; Indian Hill Residents Martin Suits, Ray Feeser; Guest Paul Metchik

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. April 20, 2016 - Motion to approve as written made by Rob Rossi, seconded by John Delehant. Motion passed 7 – 0.

VI. UNFINISHED BUSINESS

- a. Discussion and Consideration to Approve the 2015 Financial Statements – Motion to approve made by Tom Athey, seconded by John Delehant. Motion passed 7 – 0.

VII. NEW BUSINESS

- a. Discussion and Consideration to Renew the Line of Credit with Wells Fargo Bank – After a brief discussion, motion made by Rob Rossi, seconded by John Delehant to renew the Line of Credit with Wells Fargo Bank. Motion passed 7 – 0.
- b. Discussion and Consideration to Increase Monthly Company Contribution to Employee Insurance Benefits – Per request by Board member Montgomery, this item has been moved to the June 15, 2016 Board of Directors Meeting Closed Session.

VIII. GENERAL MANAGER'S REPORT

- Administration
  - The DWR has increased the State Water delivery allocation to 60%.
  - GTA is working on cost estimates for the well #3 option of the Water Resource options. GTA is also including an option for drilling a new well that would meet current State standards.
  - Staff worked on the Developed and Undeveloped share distributions.
  - Michelle attended the California Financing Coordinating Committee Funding Fair.
- Operations
  - Staff efforts continue to be focused on weed abatement at the WWTP.
  - Operation staff has begun work on the CCR Report.
- Capital Projects
  - We are finishing the radio installation portion of the SCADA system. The data collection server have been installed.

IX. FINANCIAL STATEMENT

The Board Management Report for April 2016 was presented by General Manager Rick Koon with the following highlights:

Cash and Reserve Funds as of April 30, 2016 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$98,355	\$319,722	\$249,701	\$1,923,210

X. BOARD MEMBER COMMENT – Board member Montgomery asked about the review of the SMS Sewer Service Contract. General Manager Koon told him that John King has a draft of the contract. He said the contract should be ready for the Board to review in closed session during the June 15, 2016 meeting.

XI. ITEMS FOR NEXT AGENDA

- a. June 15, 2016 – Election of Officers; Staff Performance Reviews; Discussion and Consideration to Increase Monthly Company Contribution to Employee Insurance Benefits; Review and Discussion of the SMS Sewer Service Contract

VIII. ADJOURNMENT –Meeting was adjourned at 9:32 a.m.

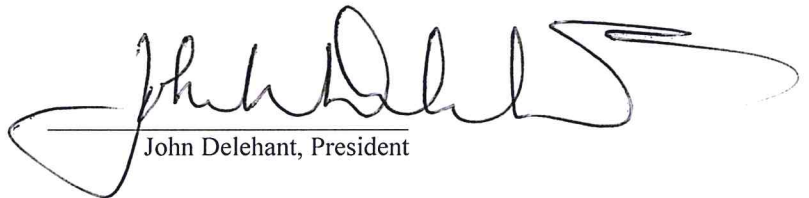
Proceeding reported by:

Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,

Approved:

  
Gerri Hall, Secretary

  
John Delehant, President