

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

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

I. CALL TO ORDER AND ROLL CALL

Meeting called to order by Board President John Delehant at 9:02 a.m.

Board Members Present:	John Delehant, Tom Athey, Vic Montgomery, Gerri Hall, Rick Koon, and Rob Rossi
Absent:	Ben Banks
Staff Members Present:	Dawn Barlow, Customer Service & Operations Support
Consultants Present:	Tim Carmel, Legal Counsel
Guests:	Kingfisher Residents Carol Hayden, Rich Vorie, Robert Campbell, Jim Hartig; Heron Crest Resident Bob Pusanik; Indian Hill Residents Heather Nelson, Martin Suits; Guests Paul Metchik, Jeff Loughead

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. March 16, 2016 - Motion to approve as written made by Vic Montgomery, seconded by John Delehant. Motion passed 6 – 0.

VI. UNFINISHED BUSINESS

- a. Continued Discussion of Allocated and Issued Shares Including Distribution and Consideration of Reallocation and Reissuance of Shares – General Manager Koon reviewed the progress made on this project via a PowerPoint presentation. He reviewed the original share distribution/allocations/issuances, subsequent allocations/issuances as the various projects within SLBE were established and completed as well as the allocations/issuances for Mr. Rossi and his properties. General Manager Koon then presented the Board with the items that need to be completed to ensure that the Company's shares were reallocated and reissued properly. After Board discussion, a motion was made by John Delehant, seconded by Gerri Hall to proceed with the reallocation and reissuance of the shares as outlined by General Manager Koon. Motion passed 5 – 0; Rob Rossi abstained.

VII. NEW BUSINESS –

- a. Review of the Draft 2015 Financial Statements – The Board reviewed the Draft 2015 Financials. It was recommended that the number of shares, 1044, on page 1 of the Balance Sheet be changed to 1041 which reflects the actual number of share issued and outstanding. The Board directed General Manager Koon to have the accountants make the change. The Board will approve the 2015 Financial Statement at their next meeting.
- b. Review and Consideration to Approve Annual Shareholder Meeting Notification Packet – May 18, 2016 – After review and some discussion, a motion was made by John Delehant, seconded by Tom Athey to approve, publish and mail the Annual Shareholder Meeting Notification Packet. Motion passed 6 – 0. General Manager Koon said he will direct staff to have the packets in the mail April 28, 2016.
- c. Discussion and Consideration to Establish Official Close of Business Date for 2016 Annual Shareholder Meeting – After discussion by the Board a motion was made by Vic Montgomery, seconded by John Delehant to establish May 13, 2014, 4:30 p.m. as the Official Close of Business Date. Motion passed 6 – 0.

VIII. GENERAL MANAGER'S REPORT

- Administration

- The DWR has increased the State Water delivery allocation to 45%.
- GTA is working on cost estimates for the well #3 option of the Water Resource options. Investigation has shown that the well was in place prior to 1981.
- Staff revised and updated the Employee Handbook to comply with recently enacted State requirements..

- Operations

- Staff efforts have been focused on weed abatement at the WWTP.

- Capital Projects

- The radio installation portion of the SCADA has begun with the receiving antenna masts.

IX. FINANCIAL STATEMENT

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

Cash and Reserve Funds as of March 31, 2016 are:

Operating Cash	Operational Contingency Reserves	State Water Reserves	Capital Reserves
\$80,561	\$319,714	\$230,699	\$1,953,718

X. BOARD MEMBER COMMENT – None.

XI. ITEMS FOR NEXT AGENDA

- a. April 20, 2016 – Regular Meeting – 2016 Annual Shareholder meeting; Audit of Share Distribution

VIII. ADJOURNMENT –Meeting was adjourned at 9:20 a.m.

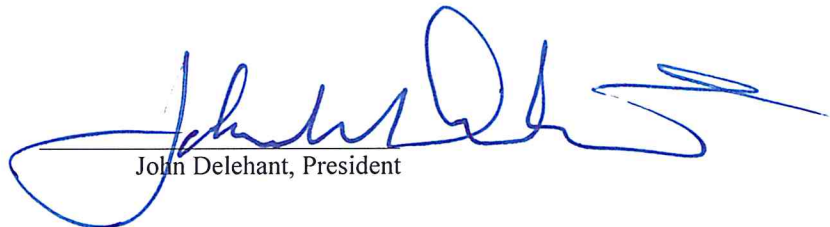
Proceeding reported by:

Dawn Barlow, Customer Service and Operations Support

Respectfully Submitted,

Approved:


Gerri Hall, Secretary


John Delehant, President