Afuera de Chorro Water Company

Date: May 6, 2019
Name of Meeting: Annual Member Meeting
Present: John and Tracy Ronca, Mark and Susan Lindgren, Tim Romano, Sandra Santos, Kathy Collins, Warren and Carol Sinsheimer, Wade O'Hagan, Colleen Rosenthal, Chad Van Til, Pat Rusco, Paul Vanderheyden, Kathleen Forster, John and Kara Dostal, Phil and Janice Kissel, Tom Stenovec, Jennifer Staniec, Dennis Jones (for Sean Cheney); by Proxy – Hanover to Santos
Absent: Maino, Callahan, Moore, Hill, Hather, Stahl, Hickok, Breazeale

Agenda Item	Discussion	Action	Person Responsible	Completion Date
I. Meeting called to order at Ludwick Community Center conference room	Kathy Collins called the meeting to order at 6:02 pm. New member, Jennifer Staniec was present and attending members introduced themselves.			
II Approval of Minutes from fiscal '17-'18	Warren Sinsheimer moved to approve, Wade O'Hagan seconded with the amendment to add language that clarified a 2018-19 goal making the minutes reflective of the decision making process. Warren Sinsheimer suggested advice from our attorney as to what detail is appropriate in Board minutes.	Minutes Approved		5/6/19
III. President's Review of Water Company Activities from Fiscal '17-'18	Kathy Collins reviewed the actions taken by the board during the fiscal year • Board opened reserve account • Water model and flow test were completed by Wallace Group • Wells ○ Recharged with rains	Water Flow test by Wallace Group provided to the members.	Kathy Collins	

	◦ Company and FRM worked on computer challenges ◦ Flow meter and transducer replaced ◦ Well #3 downpipe will need replacing ◦ Company completed the abandonment easements for wells 1B, 2, 6 and 16 • Update on Goals from the 2018 meeting ◦ Flow test – completed ◦ Improved minutes and meeting notification process ◦ Annexation into the city explored – very costly ◦ Conservation incentives – reviewed ◦ Succession plan – still under discussion • Repairs completed to the main line at Sequoia (2018) • Construction failure at new water line connection located at Sequoia and Tiburon repaired in 2019 • DOC approval received May 6, 2019 • Review of Will Serve process and comparison to other similar water companies discusses later in meeting			
IV. Review of the financial Income	Pat Rusco discussed the Income Statement for fiscal '18-'19. It was noted that income from quarterly fees increased	Information	Pat Rusco	

Statement for fiscal '17-'18	by 21.23% (vs fiscal '17-'18) to $53,900, due to a full fiscal year collecting the $500 basic fee. Excess usage fees decreased 39.97% to $4,086. The new "reserve account" collected $23,250. Overall, with no "new lot fees" collected, income decreased 17.54% year-over-year. Total expenses increased by 54.22%, due primarily to engineering costs (increased by $15,306.56) and an infrastructure repair ($18,995.60). If you remove these costs our expenses directly related to the production and maintenance of our water system year-over-year, decreased by approximately $5,000. Our beginning bank balance was $42,186.05 and the ending balance was $45842.92, an increase of $3,656.87.			
V. Approval of Fiscal '19-'20 Proposed Budget	Budget was presented to the members. Warren Sinsheimer "moved" to approve the budget (seconded by Wade O'Hagan). The budget was approved.	Budget approved by the members.	Kathy Collins	
VI. Review of DOC status and a proposed change to the Will Serve Process	Kathy Collins communicated that our DOC permit had been approved and received the day of the meeting (5/6/19). There was discussion on a proposed change to the Afuera de Chorro Water Company will-serve letter process. A primary change in the proposal references when the "new lot fee" is collected. This proposal changes the time of the collection of the fee to the time that the application to the water company (for a will serve letter) is approved by the water company, or for those with currently	A draft updated will serve process was provided to the members.	Kathy Collins	

	in the lot split process, payment would be due upon County approval of their tentative map. The Board would rework the wording to reflect that the process affected lot splits and not building permits.			
VII. Review of Recent Engineering Flow Test	As part of the DOC permit process, Wallace Engineering is required to review, evaluate, and test our water system. A copy of this report, that was sent to the DOC, was provided to the members~~.~~ The final paragraph of this report *states "…the information contained in the Report remains accurate and that the water supply system of Afuera de Chorro Mutual Water Company complies with Sections 260.140.71.3 for the total water supply, distribution and fire protection system, present and proposed and conclude that a single, completely integrated and serviceable water supply, distribution and fire protection system exists and further conclude, there is an adequate quantity of water available for the current and proposed requirements for the system."*	Wallace Group Water Flow Test Report was provided to the members	Kathy Collins	
VIII. Elections to the Board	The terms of Kathy Collins, Pat Rusco, and Paul Vanderheyden are expiring (Tim Romano and Tom Maino remain). Nominations for these three positions were opened. Kathy Collins, Pat Rusco, and Paul Vanderheyden were nominated for reelection. As there were no further nominations, these three were reelected to the board for two year terms.	Nominations and Elections held.	Members	

IX. Goals and Priorities	Warren Sinsheimer suggested that we have our legal counsel, Glenn Price, attend future annual meetings. The Board will arrange for a special membership meeting in the fall.	A special membership meeting to be arranged in the fall with the Company Attorney in attendance.		
X. Adjournment	The meeting was adjourned at 7:33 PM.		Kathy Collins	

Respectfully Submitted,
Pat Rusco