

LA CUMBRE MUTUAL WATER COMPANY  
BOARD OF DIRECTORS MEETING  
1:00 PM VIA ZOOM  
FEBRUARY 22, 2021  
MINUTES

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The meeting was called to order at 1:00 pm by Vice President Marc Russo

Present: Directors, Alex Rodriguez, Marc Russo, Doug Campbell, Jane Lodal and Rob Thomson. Also present, General Manager Mike Alvarado, Administrative Manager Jeff Dameron and Office Manager Maria Armijo.

Absent: None

Public Comment: None

Approval of agenda

After a review of the agenda, it was moved by Mr. Thomson seconded by Ms. Lodal to approve the agenda as presented. Motion carried.

Approval of Regular Board meeting minutes of January 25, 2021

After a review of the Board meeting minutes of January 25, 2021, it was moved by Mr. Thomson seconded by Ms. Lodal to approve the minutes as presented. Motion carried.

Mr. Rodriguez joined the meeting at 1:07 pm.

Laguna Blanca Expansion Request for a Can & Will Serve Letter

Mr. Alvarado explained to the Board, he normally does not come to the Board to discuss Can & Will Serve letters, but this is a special circumstance. Laguna Blanca School is requesting a Can & Will Serve letter but not for any construction project on the property. The request is for an additional 55 students that will be enrolling in the school. The additional water usage due to the additional students is projected to be approximately 1.4 AF/yr. There currently is no moratorium set in place to deny such a request, therefore the Can & Will Serve letter will be issued to Laguna Blanca School.

Water Production Report / 2021 Water Supply

Mr. Alvarado reviewed the water production report and the 2021 water supply with the Board.

SeaWell Proposal and Letter of Intent

Mr. Rodriguez reported to the Board that Mr. Alvarado forwarded the SeaWell Proposal to legal counsel for review but has not received word back yet. Mr. Rodriguez would like to issue the letter of intent to SeaWell to continue exploring this project. SeaWell will be responsible for obtaining all permits including fees associated with the project.

After further discussion, it was moved by Mr. Russo, seconded by Ms. Loda to move forward with exploring the project pending review from legal counsel. Motion carried.

#### Montecito Water District Supplemental Water Purchase Proposal Letter

Mr. Alvarado reviewed the proposal for a seven-year agreement for supplemental water purchase of up to 500 AF per year with Montecito Water District. The term would begin in 2022 and end in 2029. Cost of the supplemental water purchase would vary from \$100 to \$800 per AF depending on how much State water allocation the Water Company receives. Deadline to submit the water purchase proposal letter is February 28<sup>th</sup>.

After further discussion, it was moved by Mr. Thomson, seconded by Ms. Loda to move forward with the supplemental purchase letter amending the purchase cost from \$300 to \$1200 per AF. Motion carried.

#### Well #22 Bid Documents

Mr. Alvarado reviewed with the Board the detailed cost estimate from Pueblo Water Resources for replacing Well #16 with a new well, Well #22. Well #16 has deteriorated structurally and has lost significant production capacity. Cost of the new well is estimated to be approximately \$863K.

After further discussion, it was moved by Mr. Thomson, seconded by Ms. Loda to move forward with Pueblo Water Resources' proposal to seek out bids for the project. Motion carried.

#### Operation Update

##### A. Hope Ranch Staffing

Mr. Alvarado informed the Board the Hope Ranch's General Manager, Greg Feet and a part time front office employee have submitted their resignation. Hope Ranch initially wanted to bring in two additional people for training making it a total of four people at one time. With all the efforts the Water Company's employees have been making to prevent contracting Covid-19, both Mr. Alvarado and Mr. Rodriguez spoke with Mr. Feet & Mr. Gabler, Hope Ranch Board President, on how to go about training the two new people off site. Several possibilities were discussed such as train remotely or rent a portable office. Mr. Feet requested the possibility of training on the weekends when no other employees are around. This request was granted by Mr. Alvarado.

##### B. Via Esperanza Water Main Project Update

The Via Esperanza water main project has been completed. Minor incidents during construction like a tapping sleeve leak, a previously unknown galvanized service line was discovered and on the brink of breaking, a fire hydrant leak developed and Covid-19 related issues with the contractor. All additional repairs were done.

##### C. Workers Compensation: Ergonomics & the Nogal Treatment Plant

An inspector from Workers Compensation did a routine walk through of the Nogal Treatment Plant and found the process of manually carrying and emptying up to twenty 40lb bags of salt into the salt tank (4.5' H x 50" D) on a daily basis to be unacceptable as this could cause a back injury. Suggestions such as purchasing a small platform for the employee to stand on to be at the upper level of the tank and a hydraulic lift to raise the salt bags up to the top of the salt tank were given. Mr. Alvarado is in the process of making such purchases and modifications.

There being no further business, the meeting was adjourned at 2:45 pm.

Next meetings: Regular Board Meeting – March 22, 2021 at 1:00 pm via Zoom

Maria Armijo  
Office Manager