

**MINUTES OF REGULAR MEETING**  
**BOARD OF DIRECTORS**  
**ATASCADERO MUTUAL WATER COMPANY**

**August 13, 2025**

The meeting convened at the office of Atascadero Mutual Water Company, 5005 El Camino Real, Atascadero, at 4:30 p.m., President Frank Platz presiding. Others present were Directors Leroy Davis, Robert Jones, and Jackie Lerno, General Manager John Neil, and Secretary Cheryl Powers. Vice President Brien Vierra was absent.

**PUBLIC COMMENT:**

City of Atascadero Director of Public Works Nick Debar and City of Atascadero Deputy Director of Public Works Ryan Hayes were in attendance. Mr. Debar explained that the City is in the planning stages of its new wastewater treatment plant and will be conducting an analysis to calculate the new sewer rates. Ideally, the City would use water use history for the months of January – March of each year to determine sewer rates for each property. The City currently charges a fixed rate because it doesn't have access to the water-use history.

The City would like to work with AMWC to obtain water-use information, in some form, to make the sewer rates as fair as possible. City staff acknowledged that if AMWC provides it with actual water use data for each property, the data would become public information. The City does not want to ask its customers to consent to having their water-use data available for this purpose, so it is seeking an alternative solution.

AMWC General Manager John Neil stated that AMWC has the capability to provide water-use data that does not include specific customer data, e.g., usage by acreage and land use, and he believes this data would be very close to what the City is seeking.

**APPROVAL OF MINUTES:**

A motion was made by Robert Jones to approve the regular meeting minutes of July 11, 2025; the motion was seconded by Leroy Davis and carried 4 to 0.

*The following reports were reviewed:*

**OPERATIONS REPORT:**

The Chief Operator reported that well levels continue to trend down, which is typical for this time of year. He also reported that Well 5 is still out of service and Well 6A may need to be pulled out of service to determine an issue with low production.

**FINANCIAL REPORT:**

The financial reports for the period ending June 2025 were available for review. The General Manager reported that water sales revenue is less than budgeted, possibly due to the cooler than typical weather the past couple of months, and expenses are tracking with the budget. Working capital for the current fiscal year is \$7.9 million versus \$6.2 million for the same period last year.



**CONSERVATION REPORT:**

The Conservation Manager reported that the conservation radio spot has been updated for the fall, and water conservation messages will be announced during Greyhound Football games. The Conservation Manager and General Manager participated in public outreach programs in July, and other outreach events are planned for September. Updates on rebate and home water survey activity were reported.

It was also reported that the de Anza National Historic Trail group will post more signage in the Salinas River area to try to deter unauthorized use.

*The Manager's Report was available for review as follows:*

**WELL LEVELS:**

The static water level (SWL) at the northerly end of the main well field, was 39.9 feet below ground surface (BGS) on July 28, down from 31.3 feet BGS on June 30.

**NACIMIENTO WATER PROJECT:**

The Lake was at 46.5% capacity with 175,740 acre-feet (af) of storage on July 31, down from 52.1% capacity with 196,793 af of storage on June 30. Current releases from the Lake are 274 cubic feet per second (543 af per day).

**PFAS TREATMENT:**

Staff completed review of the 60% design and submitted comments to the design team. The preliminary cost estimate is approximately \$40 million. Staff will look at pre-purchasing some of the equipment related to the project to avoid contractor markups. Staff will apply for a grading permit in the near future to start ground improvements.

Plans for the operations center were discussed, specifically, whether to make the building larger than what is currently planned. Staff will come back with some options at the next Board meeting.

**NEXT MEETING DATES AND TIMES:**

The next Regular meeting is scheduled for October 8, 2025, at 4:30 p.m.

**NEW BUSINESS:****LAND LICENSE, ASTOUND BROADBAND:**

At its May 21, 2025, meeting, the Board discussed a request from Astound Broadband, Inc., for a perpetual easement across AMWC's Pine Mountain Tank site to allow Astound to connect to the City's police/fire radio repeater, which is located on AMWC's property under an MOU between AMWC and the City. The Board directed the General Manager to pursue a land license arrangement.

The General Manager prepared an agreement to grant a 10-ft± land license across AMWC's Pine Mountain Tank property in exchange for Astound running two strands of single-mode dark fiber from the tank site to AMWC's maintenance yard at 6575 Sycamore Road. AMWC could create a private network for AMWC's SCADA system that currently uses a radio repeater at the Pine Mountain Tank.

The General Manager made the following revisions (underlined) to the proposed Memorandum of Understanding for License Swap agreement between Astound Broadband and AMWC and reported that Astound has seen and approved them:

- The city of Atascadero operates and maintains radio equipment and appurtenances on the Property used for public safety purposes under a Memorandum of Understanding with AMWC dated September 4, 2003;



- Astound would like to receive from AMWC the right to install, keep and maintain its networking infrastructure on, in, under, across and upon a portion of the Property (the “Network Infrastructure License”) to serve the radio equipment owned by the City of Atascadero.
- The Parties agree that the networking infrastructure installed by Astound on the Property will only be used to serve the radio equipment owned by the City of Atascadero for public safety purposes, and AMWC. Astound agrees that the infrastructure installed by Astound will not be used for any commercial use without prior written approval from AMWC. Should Astound violate the restriction on commercial use, AMWC shall have the right to immediately terminate this Agreement.
- Term of Network Infrastructure License. The Network Infrastructure License shall commence on the Effective Date of this Agreement, and expire co-terminously with the Dark Fiber License, on the Expiration Date set forth in Section 2.3 below, or on the termination date of the Memorandum of Understanding between the City of Atascadero and AMWC dated September 4, 2003, whichever is earlier.

A motion was made by Robert Jones to approve AMWC granting a land license across AMWC’s Pine Mountain Tank property in exchange for Astound running two strands of single-mode dark fiber from the tank site to AMWC’s maintenance yard at 6575 Sycamore Road. The motion was seconded by Jackie Lerno and carried 4 to 0.

#### **HIGH-USE PAYMENT PLAN, 5600 ARDILLA RD.**

The shareholder who owns 5600 Ardilla Road requested AMWC grant her a 12-month payment plan due to the high remaining account balance after a significant leak occurred at her property. The shareholder received a high-use adjustment of \$1,385.60, which left a balance of \$1,487.70 on the account.

A motion was made by Leroy Davis to grant the shareholder’s request for a 12-month payment plan of \$123.98 per month, plus future monthly water charges, with the understanding the payment plan will be revoked if the shareholder is late making any two of the required payments. The motion was seconded by Robert Jones and carried 4 to 0.

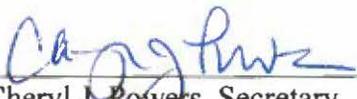
#### **GRANT OF EASEMENT, NACIMIENTO WATER PROJECT:**

The San Luis Obispo County Flood Control and Water Conservation District is proposing a realignment of the portion of the Nacimiento Water Project pipeline that was damaged during the winter storms of 2022/23, which will result in the pipeline crossing a parcel owned by AMWC. Moving this section of the pipeline out of the floodplain will reduce the likelihood of future failures.

The General Manager reported that the District has proposed purchasing a permanent easement from AMWC, along with two construction easements that will be needed during construction of the new section of the pipeline. The District’s appraiser estimated the value of the easements as \$2,393. The Board does not agree with the estimated value and asked staff to go back to the County to discuss the comps used in the estimates. In addition to the estimated values and recommended modifications to the easement noted in the agenda report, the Board noted other issues with the agreement, i.e., using a grant deed rather than an easement agreement, and the length of the term. The General Manager will address the Board’s concerns with the County and bring the agreement back to the Board at the October 8 Board meeting.



The meeting was adjourned at approximately 5:20 p.m.

  
Cheryl J. Powers, Secretary

**APPROVED:**

The undersigned directors of the Company approve the foregoing minutes of directors and acknowledge notice of the meeting or, if notice was not properly given, waive notice of the meeting.

  
D. Frank Platz, President

  
Leroy R. Davis, Director

  
Brien C. Viera, Vice President

  
Robert M. Jones, Director

  
Jackie M. Lemo, Director

