

BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue, Moreno Valley, CA 92553
(951) 653-6419

Wednesday, January 17, 2024 - 6:00 pm

Board Meeting Meeting Minutes

I. **CALL TO ORDER** –meeting called to order at 6:06 pm

II. **ROLL CALL**

<u>President</u>	(Mac) John McDermott - present
<u>Vice President</u>	Ron Gonzales - absent
<u>Secretary</u>	Valentina Schafer - present
<u>Treasurer</u>	Misty Rose - present
<u>Director</u>	Charles Campbell – present (6:30 pm)

Other attendees: Mark Iverson, General Manager
Karen Collins, Office Manager

III. **PUBLIC COMMENTS** - none

IV. **REVIEW PREVIOUS BOARD MEETING MINUTES** – Request to change item 5.a.iii on the November 21, 2023 Meeting Minutes to show the vote as unanimous. Valentina Schafer motioned to accept minutes with the change as discussed; Misty Rose seconded.

V. **GENERAL MANAGERS REPORT**

a. **Financial Review**

- i. P&L Report – provided the December P&L
- ii. Budget Status Report – Mark shared his budget summary and proposed budget for 2024. The budget was created with an assumed 5% increase, consistent with the CPI (Consumer Price Index). Income was decreased in 2023 due to the outlay of expenses for the booster, generator, and tank farm improvements, therefore a decrease in expenses is expected in 2024 as a large majority of improvements are now complete. The 2024 budget does not include information on reimbursements or additional connection fees from developers. The Board asked a few questions regarding budget numbers planning, and how the budget creation process was complete. Discussed creating footnotes on potential upcoming income for visibility.
- iii. Bank Accounts – the Board requested additional signature lines from the Board President and Secretary be added to the authorization letter for Citizens Business Bank. Once completed, the revised letter and minutes will be sent to the Board Members and Citizens Business Bank.
 - o May need a resolution to request government rates
 - o As a Mutual there are already discounted fees
 - o 100% of the funds deposited are protected
 - o Discussed the number of accounts recommended to open.
 - a. Mark explained that for purposes of investments, having a larger pool of money for CD's is a plus for better interest rates.
 - b. Discussed risks with CD's in the case of emergencies should funds need to be withdrawn early.

- iv. Rate Review and Proposed Increase - Mark is working on a revised rate study with a 5% increase for both water rates and assessments,
 - b. **Past Due Accounts Update** – No update available due to an absence.
 - c. **On Call Pipeline Contractor** – El-Co – the Board requested additional information regarding this contractor and after review of the documentation the Board unanimously approved using El-Co as an emergency contractor with Western Heights Water Company providing additional resources in extreme situations.
 - d. **Billing Software Update** – The Board was informed of the need to update the billing software currently being used at BSMWC at an earlier meeting in 2023. The current software is out-of-date and the coding language used to write the program is no longer supported. Mark and Karen have been working with a start-up company assisting them with what small mutuals need and are looking for from a billing software. Current Software was on-site in January and has developed billing software that is under testing at this time. Additional testing will take place in February and, if successful, the office staff recommends making the change from CUSI to Current Software. The cost for Current Software is \$5,000 for the software with an additional \$1,000 for electronic bill payment annually, which equates to .67¢ per customer, per year. The cost differences between the two companies were reviewed and discussed and the Board unanimously approved moving forward with Current Software pending successful testing.
 - e. **SCADA & GIS Update** – the new SCADA (Source Control and Data Acquisition) is up and running. Mark, Jeran, and Marcel have access to the data and can monitor tank and pressure levels remotely. Karen will be given access soon. There were some upgrades to our hardware that were completed. Box Springs will be bringing in an intern, who is paid for a full 2 months, to collect additional data on connections, locations of hydrants and meters, etc., to add to the existing GIS knowledge base.
 - f. **Lead Service Line Inventory** – We are required to inventory every service line specifically looking for lead and/or copper. The inventory will include the current condition of our meters and services lines. Full inventory of the system must be complete by October 24, 2024.
 - g. **New Development Projects**
 - i. **LDC – Day Street** – Reimbursement is still expected in February 2024.
 - ii. **Phelan – Old 215 & Bay** – Waiting on connection fees and assessment payments. Mac requested to see the as-builts for the Phelan Project once they are received.
 - iii. **DANBE/CASC – Old 215 & Cottonwood** – Nothing new to report
 - iv. **SAWPA Grants**
 - o New 1.5 MG Tank – Draft construction documents sent for my review. Mark has returned comments and expects bids to go out sometime next month.
 - o New Well – Nothing new to report.

VI. CLOSED SESSION – Potential Litigation

VII. ADJOURNMENT – The meeting was adjourned at 7:07 pm

Next Board Meeting is scheduled for Tuesday, February 20, 2024, at 4:30 pm.