

BOX SPRINGS MUTUAL WATER COMPANY

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

Wednesday, June 18, 2025 - 7:00 PM

Annual Shareholders Meeting Minutes

1. **PRESIDENT CALL TO ORDER** – Meeting called to order at 6:59 pm
2. **INTRODUCTIONS**

Officers and Directors:

President	John (Mac) McDermott - present
Vice President	Ron Gonzales - absent
Secretary	Valentina Schafer - present
Treasurer	Misty Rose – present via phone
Director	Charles Campbell - present

Staff:

General Manager	Mark Iverson
Officer Manager	Karen Collins

Guests:

Maria Keene

Shareholders: There were 5 Shareholders present

Auditor for the Election:

Patricia M. Caskey, CPA

3. **PUBLIC COMMENT** - None
4. **MANAGER'S REPORT**

Mark Iverson, BSMWC's General Manager, shared a PowerPoint presentation sharing multiple projects and jobs completed within the service area in 2024. Additionally, the presentation contained pictures of the disrepair of the system when Mark started working with BSMWC in 2021. The 3 booster pumps that were in place were all in poor condition and only one of the 3 was functional. The one working booster was so corroded and leaking that it was irreparable. There was a small booster station built at the end of 2022 to provide coverage until the permanent booster station was built. This second station was paid for by new developers in the area. The electrical gear was old and unreliable. New electrical equipment and a standby generator were installed to provide power to supply the water pumps during outages. Several pipeline improvements have been completed including Grant Street, Dracaea Avenue, Old 215 Highway, and currently there are improvements being completed on Brill Road. The next major pipeline replacement will be on Cottonwood Avenue. BSMWC recently received a grant for a new water tank that is already under contract with construction to start in the next couple of months followed by a grant for a new well. A GIS system has been implemented, and Mark shared the details now available to staff regarding the service area. Secondly, a SCADA system has been implemented giving staff the ability to monitor the system remotely. We can now see real

time data showing tank water levels, which boosters are running, the PSI leaving the boosters, etc. Mark shared the improvements made in the office and yard and shared that in the future we will replace the remaining fencing here at the main office.

- **Budget and Financials**

	2022	2023	2024
Total Income	\$1,629,796	\$910,274	\$1,183,461
Total Expenses	\$1,258,446	\$852,788	\$1,156,086
Net Income	\$371,330	\$57,486	\$27,375

- **Financial Review Report** – Reviewed 2024 Budget and year end financials along with the current 2025 Budget and planned upcoming development including the expected income.

Questions regarding the total grants received for the well and tank improvements totals, approximately \$1.5 - \$2M. There is no funding being managed by BSMWC. All monies are being handled outside BSMWC.

- **Capital Improvements Completed in 2024**
 - Billing System Upgrade
 - Old Clearwell Demolition
 - Water Meters Replaced - 24
- **Projects Planned for 2025**
 - New 1.1 MG Reservoir (SAWPA Grant) *In Progress*
 - New Well Construction (SAWPA Grant)
 - Brill Road - Replace 700 ft of 4-inch steel to 8-inch PVC - *In Progress*
 - Cottonwood Ave – Replace 700 ft of 8-inch steel with 12-inch PVC
 - Replace 30 water meters - *In Progress*

Valentina Schafer shared she has only been on the Board a year this month and has seen nothing to be concerned with. Mrs. Schafer joined to Board due to concerns regarding how monies and management were being handled but has been satisfied that business is being conducted efficiently.

Mac shared the conditions he found at BSMWC when he first started on the Board. Not long after, he reached out to Mark Iverson and asked him to come on as full-time General Manager.

5. AUDITORS REPORT

- 2,566 Shares Outstanding
- 240 Total Shares Represented (Final Count)
- Determination of Shareholders Quorum (67% for Quorum – 1,719 shares)

All ballots received by mail and delivered by hand will be collected, verified, and counted to determine an accurate count and whether a quorum of shareholders is represented. The count will be completed and certified by the Auditor for the Election.

Shareholders will be able to amend their ballot at the annual meeting. Special color ballots are available at the meeting for this purpose. The special color ballots will supersede the

shareholder's original ballot. The original ballot will be kept but marked canceled.

All ballots received by hand at the annual meeting will be collected and placed in a pre-addressed FedEx package. A shareholder at the meeting, who is not on the current board, will be asked to place the ballots in the package, seal the package, and sign the seal. The package will be sent to the Auditor of the Election to verify and count.

If a quorum of shareholders is represented, the new board members will be determined by the ballot results. A list of the total number of votes by person will be prepared by the Auditor of the Election, and the new board members will be taken from the top five from the list.

The new board members will be notified by phone, e-mail, and certified mail. A notice to all shareholders will be posted on the BSMWC website and a notification of the election results sent with the July 2025 water bill.

If there is not a quorum, the current board will continue to serve at their discretion.