

BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue
Moreno Valley, CA 92553
951.653.6419

Tuesday, February 7, 2023

4:30 pm

Monthly Board Meeting Minutes

I. **CALL TO ORDER** – President McDermott called the meeting to order at 4:42 pm

II. **ROLL CALL**

<u>President</u>	(Mac) John McDermott, present
<u>Vice President</u>	Ron Gonzales, present via phone
<u>Secretary</u>	Vacant
<u>Treasurer</u>	Misty Rose, present
<u>Director</u>	Charles Campbell, present

Other Attendees Present: Mark Iverson, Valentina Schafer, Karen Collins, Ron Marks

III. **ELECTION OF OFFICERS FOR 2023** – There are no changes in Board Officers or positions at this time. Valentina Schafer is interested in the position of Board Secretary and would like to attend the meetings and review the By-Laws of the Company. She may consider joining the Board sometime in or after March of this year.

IV. **PUBLIC COMMENTS** - None

V. **REVIEW PREVIOUS BOARD MEETING MINUTES** – President McDermott read the minutes from the January 18, 2023 Board Meeting. Misty Rose motioned to accept the minutes as is and Ron Gonzales seconded the motion.

VI. **GENERAL MANAGERS REPORT**

- a. Financial Review
 - i. P&L Report
 - ii. Budget Status Report – Mark Iverson shared the current status of the budget and stated the additional administrative expenses for 2023 includes additional employees and their salaries and the on-going site improvements.
- b. **Used Service Truck** – Box Springs purchased an additional utility truck (2009 Ford F350) from Western Heights Water Company for \$8,000. President McDermott remarked this was a significant savings for the company and would have been sold for several thousand more to a different buyer.
- c. **Office Entrance Improvements** – Mark reported to the Board the next steps for site improvements at the main office including: enclosing the front entrance to create a new payment window; opening the restroom to the interior of the office; new signage for the front area; and eventually California friendly landscaping where the front grass area has existed.

- d. **Past Due Accounts** – Yeymi provided two reports showing the on-going collection attempts for past due accounts. This past week there were 7 shut-off notifications placed and 3 actual shutoffs. Of the 3 shutoffs only 1 account remains delinquent.
- e. **Third-Party Bill Mailing** – Karen & Yeymi – On-going work with the current vendor regarding the dates for bill print and mailings is slow. Mark Iverson spoke with the vendor and asked for both a better turn around and proof of the date bills are sent to the post office for mailing. As reported in the January 18, 2023 Board Meeting, BSMWC obtained a quote from Data Prose and due to the small size of the company it is not practical to proceed with Data Prose. We will continue to work with Aspen Signature at this time and will seek out additional vendors.
- f. **New Development Projects**
 - i. **Apollo – Dracaea** - Installation of the new 12-inch pipeline is almost complete but still not accepted. We are waiting on the developer to finish.
 - ii. **LDC – Day Street** - Sierra Club has filed a lawsuit against LDC. The lawsuit is delaying the project, and as a result we are still waiting for LDC to sign the reimbursement agreement. LDC is hoping that a settlement is reached by the middle to the end to February or early March.
 - iii. **Phelan – Old 215 & Bay** - Work is in progress.
 - iv. **DANBE/CASC – Old 215 & Cottonwood** - Nothing new to report.
 - v. **Potential New Development on Cottonwood** – Mark Iverson shared there have been two different inquiries regarding this property. One developer is willing to pay to install 1,400' of 12" line with all new services in lieu of the connection fees (which would total approximately \$230,000). Director Gonzales asked if that would include multiple meters or just one? Mark stated that's up to the developer and how they set-up the account upon completion of the development. The second developer is thinking of building 36 apartments and would install the additional piping needed. Mark will continue to work with both interested parties and report back to the Board.
 - vi. **SAWPA Grant** – The new tank is scheduled to go to bid in February or March 2023.
- g. **New Fire Flow Booster Status** –The 2 new pumps and VFDs were delivered. Electrical gear is scheduled to arrive the third week of February. Work scheduled to restart in early March.
- h. **City of Moreno Valley Utility Tax** – this item has been dormant for quite a while however an attorney for the City recently sent a letter. Mark will provide a copy of the response. We are not selling water and therefore should not be paying a utility tax – we are providing a service to the shareholders and supplying the water they own.
- i. **Vacant Board Position** – see item III.

VII. CLOSED SESSION – Potential Litigation Matter

VIII: ADJOURNMENT