



**BELLFLOWER-SOMERSET MUTUAL WATER COMPANY
MINUTES OF REGULAR MEETING OF THE BOARD DIRECTORS**

April 20, 2020

3:30 P.M.

Location: Company Office

ROLL CALL OF BOARD OF DIRECTORS

Rick Cook
Eric Ikeda
Leo Struiksma
Robert Wilson
Cheryl Harris

OTHERS PRESENT

Steve Lenton, General Manager
Tom Coleman, Consultant
Cheryl Jubrey, office administrator

1. Call to Order:
President Cook called to order a regular meeting of the Board of Directors at 3:47p.m. at the company office located 10016 Flower St, Bellflower, CA
2. Additions to the Agenda
None
3. Approve the Minutes of the Board Meeting held March 16, 2020. Motion by Director Struiksma, seconded by Director Ikeda and carried to approve the minutes of March 16,2020.
4. Approve Payment of Bills
Motion by Director Harris, seconded by Director Struiksma and carried to approve payment of the bills as presented.
5. Public Comment: NONE

Discussion/Action Items:

6. Old and New Business:
 - A. Mr. Lenton presented to the Board that there have been undercharges for meter service charges to customers with meter sizes of 1 ½” through 6” for the prior

last three years. The error occurred due to NBS (Water Rate Consultant) providing the Company with two different Rate Studies marked as final-draft. The two Rate Studies have very different dollar amounts for service charges on 1 ½” through 6” meter sizes. Staff researched which Rate Study the board approved and verified staff was not using the same Rate Study as what was approved by the board in 2017.

- B. Mr. Lenton provided a draft copy of a letter that staff had worked on with C. V. Strategies outlining what transpired to the affected customers. The letter clearly states the billing error that occurred, the corrected rates that will be applied starting July 1, 2020 and that there would be no recovery of the unbilled amounts to the customers. After review and a brief discussion on the letter a motion was made by Director Ikeda and seconded by Director Harris to send the letter to all affected customers. The motion was approved by a unanimous vote of the board.

- C. Mr. Coleman shared some of the results of a national study completed by the American Water Works Association (AWWA) and Raftelis (utility rate consultant) on the impact of COVID 19 on water utilities revenues. The study concluded that there would be on average a 17 percent reduction in revenue to water utilities as a result of complying with COVID 19 and the impacts on the economy. At the request of Eide Baily (the Company’s financial consultant) Mr. Coleman asked the board how they would like to proceed in drafting next year’s budget in consideration of the AWWA study. The board directed staff to proceed as normal in the preparing of the budget until there are better numbers on the true effect COVID 19 will have on income.

Reports:

7. Legislative Updates
No report

8. Projects Update

- A) Leahy Well: Mr. Lenton reported that the permit was ready to be picked up as soon as arraignments can be made to access City Hall.
- B) Courthouse Pipeline: None

9. Other Reports

- A. Water Quality:
Mr. Lenton informed the board all samples are up to date.

- B. PWAG:
Mr. Lenton reported that weekly meetings are being conducted to meet all new regulations and requirements for Corvid 19.

- C. Maintenance – Safety – Harassment:
No report

- D. Watermaster- Plan Update
No report


10. Finance Committee:
No report

11. Personnel Committee:
No report

Executive Session: (Personnel Matters)

Adjournment

The President asked if there was any further business to come before the Board of Directors, there being none, motion made by Director Harris, seconded by Director Struiksma, carried to adjourn the meeting at 4:54 PM.



Rick Cook
Board President

ATTEST:



Eric Ikeda, Secretary