



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

November 16, 2020

4:30 P.M.

Location: Company Office

ROLL CALL OF BOARD OF DIRECTORS

Rick Cook
Eric Ikeda
Leo Struiksmma
Robert Wilson

ABSENT

Cheryl Harris

OTHERS PRESENT

Steve Lenton, General Manager
Cheryl Jubrey, Office Administrator
Tom Coleman, Consultant

Via Web:

Wesley Whitehead
Jenifer of Trippepi Smith

1. Call to Order:

President Cook called to order a regular meeting of the Board of Directors at 4:30 p.m. at the company office located 10016 Flower St, Bellflower, CA

2. Additions to the Agenda: 7C was added to discuss the Leahy well project

3. Approve the Minutes of the Board Meeting held October 16, 2020. A motion was made by Director Wilson, seconded by Director Ikeda and carried to approve the minutes of October 16, 2020.

4. Approve Payment of Bills

Motion by Director Ikeda, seconded by Director Wilson and carried to approve payment of the bills as presented.

5. Public Comment: Mr. Whitehead ask how a condominium unit could be a shareholder, Mr. Coleman advised that depending on how the HOA was set up, determines the shares of said

property. Mr. Whitehead also asked if the Company was going to notify shareholders that have tenants that are more than 60 days in the rears on their water bills. Mr. Whitehead was informed that staff is in the process of notifying the affected shareholders based upon direction from the Board of Directors at the October meeting.

Discussion/Action Items:

6. Old and New Business:

- A) Quotes for the 2020 Urban water Master Plan were presented to the Board. AKM had the lowest bid at \$71,156.00. A motion was made by Director Struiksma and seconded by Director Ikeda to approve the contract. The motion was passed unanimously.
- B) At the request of the Finance Committee, staff compiled a cost comparison of having the Company's auditors Davis Farr perform an Annual Audit or a Financial Review. The cost by Davis Farr to conduct the Company's 2019 Financial Review was \$10,300.00. The quote for Davis Farr to conduct an Annual Audit for 2020 is \$14,400.00. After a brief discussion the board agreed to proceed with an Annual Audit for 2020. A motion was made by Director Ikeda and seconded by Director Wilson to have Davis Farr conduct an Annual Audit in 2020. The motion was passed unanimously.
- C) Mrs. Jubrey presented the results of the Company's 2019 Financial Review conducted by Davis Farr to the Board of Directors. After reviewing the findings of the 2019 Financial Review a motion was made by Director Wilson to accept the review as presented and was seconded by Director Ikeda. It was passed unanimously.

7. Projects Update

- A) Courthouse Pipeline: No update
- B) Garden House Complex: Mr. Lenton informed the Board that he has spoken with the representative form the Garden House Complex (Lori). She stated that a petition was being circulated to all HOA residence to be signed requesting the City's assistance in downsizing their meters from 1 ½" to 1". She also stated that once they have gathered all 24 signatures they would provide the City with the petition and attend the next city council meeting via a ZOOM. No other action has been taken by the HOA at this time.
- C) Mr. Lenton provided the Board of Directors with a report on the status of the Leahy Well Construction Project. He informed the Board that a pre-construction meeting was held on Friday, November 13th with Pascal & Ludwig the contractor. At the meeting Pascal & Ludwig confirmed that they are working on completing all the paperwork required with the terms of the contract and should begin staging onsite in mid-December with construction starting by the first of the year. President Cook inquired if there was to be a Groundbreaking Ceremony. After a discussion among the board and staff, it was decided that the Company would hold a Groundbreaking Ceremony on Monday, December 7th at 11:00AM. Staff will make plans and invites while keeping this function Covid 19 safe.

8. Reports

A. Legislative: No Report

B. Finance/ Customer Service:

Mrs. Jubrey reported that there was a customer request to stop charging them for the monthly service charge due to the building being vacant. Staff denied the customer's request as it is a ready to serve charge. She also restated to the Board that she and her staff were sending out informative letters to shareholders that have tenants that are 60 days or more past due on their water bills. The informative letter provides information to shareholders that as shareholders they are ultimately responsible for payment of the water bills to their properties if their tenants fail to make payment.

C. Water Quality:

Mr. Lenton informed the Board that all sampling is up to date. He also stated that there was more discussion to be held in Executive session.

D. Public Water Agency Group: No update

E. Maintenance – Safety:

Mr. Lenton informed the Board that we are still looking for a new safety consultant.

F. Watermaster- Plan Update: Mr. Lenton informed the Board that the Master Plan was nearing completion. A few items have been updated such as adding the new Leahy well and that well 903 and 833 have been classified as inactive within the hydraulic model, which greatly influence the recommendations that are found in the Master Plan.

G. Public Relations: Jennifer from Trippipi Smith offered to provide photos and write-ups on the web site for the Groundbreaking Ceremony for the Leahy well.

9. Committee reports:

A. Finance Committee: President Cook reported that the finance committee has been meeting with both F&M Bank and Citizens Bank concerning both lock box services and investments. No final decision has been made at this time.

B. Personnel Committee
No report

C. Real Estate:
No Report

D. General Managers Comments: Company Christmas party is be planned for December 3rd at Orange County Mining Company. Due to new Covid restriction, the restaurant may be closed again, and that staff will keep the Board updated.

Executive Session: (Operations, Personnel)

Adjournment:

The President asked if there was any further business to come before the Board of Directors, there being none, a motion was made by Director Wilson, seconded by Director Struiksma, and carried to adjourn the meeting at 5:31 PM.

Rick Cook
Board President

ATTEST:

Eric Ikeda, Secretary