



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

**February 27, 2017**

**3:30 P.M.**

**Location: Company Office**

**ROLL CALL OF DIRECTORS**

Cheryl Harris, President  
Eric Ikeda  
Leo Sruiksmas  
Jerry Larsen  
Rick Cook

**ABSENT**

None

**OTHERS PRESENT**

Ken Deck, Consultant  
Steve Lenton, Executive Director  
Cathy Cortez, Office Manager  
Wesley Whitehead, Share Holder  
Dan Buffington, Share Holder  
Kim Boehler, NBS  
Greg Henry, NBS  
Frank Gill, Holman Capital Corp

1. Call to Order  
President Harris called to order a regular meeting of the Board of Directors.
2. Approve the Minutes of the Board Meeting held January 23, 2017  
Motion by Director Ikeda, seconded by Director Struiksmas, carried to approve the minutes of January 23, 2017.
3. Approve Payment of Bills  
Motion by Director Larsen, seconded by Director Struiksmas, carried to approve payment of the bills as presented.
4. Public Comment  
None

**Discussion/Action Items:**

5. Old and New Business:
  - A. Rate Study Workshop  
A presentation was given by Greg Henry from NBS in regards to the Water Rate Study and presented the Board of Directors with 3 alternative rate plans to bring the company up to standard water rates and be in compliance with State

Regulations. Motion by Director Cook, seconded by Director Struiksma to direct staff to move forward with Alternative 1 in the Rate Study Plan. Motion passed by a 4-1 vote as follows: Ayes: Directors Harris, Cook, Ikeda and Struiksma. No's: Director Larsen.

B. Approve Financing Agreement

Motion by Director Cook, seconded by Director Ikeda to move forward and approve the Financing Agreement with Holman Capital Corp for the Construction of the Leahy Well. Motion passed with a 4-1 vote as follows: Ayes: Directors Harris, Cook, Ikeda and Struiksma. No's: Director Larsen.

C. Approve Resolution #02-27-2017.

Motion by Director Cook, seconded by Director Ikeda to approve Resolution #02-21-2017 to execute the Installment Agreement and other related documents associated with the financing of the Leahy Well. Motion passed with a 4-1 vote as follows: Ayes: Directors, Harris, Cook, Ikeda and Struiksma. No's: Director Larsen.

D. Approve an Amendment to the Capital Budget for \$100,000.00.

Ken Deck had presented to the Board of Directors the need for new type of Pumphouse for the well sites and asked for an amendment to the Capital Budget for \$100,000.00 for the installation of this new pumphouse. Motion by Director Ikeda, seconded by Director Struiksma and carried to approve the amendments to the Capital Budget for the purchase of a new pumphouse not to exceed \$100,000.00

E. Update on discussions between BSMWC and Cal American Water.

Ken Deck and Steve Lenton updated the Board of Directors on their last meeting with Cal American Water in regards to the sale of the Municipal Water System and the use of the High Capacity Well.

**Reports:**

6. Finance Committee

None

7. Personnel Committee

None

8. Projects Update

Mr. Lenton provided a report on the following projects.

A. SCADA

BSMWC is in the process of purchasing materials to construct the cabinets

B. Well 84

The contractor is in the process of installing the liner.

C. Leahy Well

Steve Lenton presented to the Board that the company had to extend the permit to drill the well due to the permit expiring in March. Ken Deck also updated the Board on the new conditions of the permit that need to be met

D. Waste Discharge Modifications

Steve Lenton presented to the Board pictures of the completed discharge modifications on well #33 on Flora Vista and discussed the starting of well #44 on Chicago

**Executive Session: (Personnel Matters)**


No reportable action items.

Adjournment

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

  
Cheryl Harris, Board President

ATTEST:

  
Rick Cook, Secretary