

Minutes of the Regular Board Meeting
Of the Board of Directors
Apple Valley Heights County Water District

Wednesday, January 17, 2024

The Board of Directors of the Apple Valley Heights County Water District met in regular session. It held the regular meeting at the regular meeting place, 9429 Cerra Vista, Apple Valley, California. The meeting was called to order at 6:00 P.M. BOD President Duwel led the Pledge of Allegiance.

ROLL CALL:

Directors Present: Directors Duwel, Woody, Hunter, Kaminsky & Roberson (AVHCWD Office).

Absent: None.

Also, Present General Manager Smith & Secretary Patterson (AVHCWD Office).

Public Present: None.

PUBLIC COMMENT:

None.

*Note: At this point, BOD President Duwel asked for a motion to move Agenda Item "J" (Election of Officers) to be heard before the General Manager Report

By Director Hunter to move Agenda Item "J" (Election of Officers) to be heard before the General Manager Report; second by Director Roberson. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

ELECTION OF OFFICERS:

By Director Hunter to nominate Director Duwel to serve as BOD President; second by Director Woody. Yes: Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: Duwel. Absent: None.

By Director Hunter to nominate Director Woody to serve as BOD Vice-President; second by Director Roberson. Yes: Duwel, Hunter, Kaminsky & Roberson. No: None. Abstain: Woody. Absent: None.

GENERAL MANAGER REPORT:

1. January 2024 – General Manager Smith informed the BOD that the SWRCB conducted a Level 2 Assessment due to the TC results that occurred; the GM explained that the findings of the assessment showed the need for revising sampling techniques and the SWRCB representative did not find any system infrastructure-related concerns. The GM briefed the BOD on a variety of topics, including delivery of a 40' cargo container to the District well site, functionality-related issues with the Verizon One-Talk App, failure of the Admin external hard drive, repairs made to an office printer, replacement of the fuel-filler neck on the District F250, the need to begin to look for a new source for billing software and the replacement of the SIM card at the Mesa Tank Site security camera.

2. Efficiency Report – General Manager Smith briefed the BOD that, during the month of December 2023, the efficiency for running both Well # 3 and Well # 4 was calculated at 98.87%.

3. Mesa Tank Repairs: "In-house" Repair Plans – GM Smiith briefed the BOD on quotes received to date and advised the BOD that staff was waiting on additional quotes/plans and staff would present these to the BOD at the applicable BOD meeting after the quotes/plans are received.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

1. Meeting Update – Secretary Patterson briefed the BOD on the most recent conference call, which took place on January 4th, 2024; the BOD was reminded that the state required a new agreement and that, as such, the state wanted an updated “Red Flags Checklist,” as well as a new item called “Exhibit C-General Terms and Conditions.” Secretary Patterson explained to the BOD that this was a new requirement the State had instituted after the District’s project was completed with the Planning Phase. As the Planning Phase was reopened, the state now requires an Exhibit C for the project. Following the update to the BOD, staff requested BOD guidance on the need to route the “Exhibit C-General Terms and Conditions” through District legal representative channels.

By Vice-President Woody to not route the “Exhibit C-General Terms and Conditions” through legal and to move forward with the project; second by Director Hunter. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

DISCUSSION/INFORMATION:

1. December 2023 Delinquency: 50 Late Fees Applied, 4 Tags / SB 998 Packets Hung, 0 Services Turned Off (Verbal) – Secretary Patterson briefed the BOD on the Delinquency Report for the month of December 2023. BOD President Duwel asked the BOD if there were any questions related to the December 2023 Delinquency Report; None.

2. Profit/Loss: December 2023 – Secretary Patterson briefed the BOD on the P&L Report for December 2023. BOD President Duwel asked the BOD if there were any questions related to the December 2023 P&L Report; None.

3. Revenue Report: December 2023 – Secretary Patterson briefed the BOD on the Revenue Report for December 2023. BOD President Duwel asked the BOD if there were any questions related to the December 2023 Revenue Report; None.

4. Account Aging Report – Receivables as of 1/17/24 (Account Holder Names Removed) – Secretary Patterson briefed the BOD on the Account Aging Report for the month of December 2023/January 2024. BOD President Duwel asked the BOD if there were any questions related to the Account Aging Report; None.

5. Water Production Snapshot – Secretary Patterson informed the BOD that the District, as of December 31st, 2023, has produced 21.02 AF of water. BOD President Duwel asked the BOD if there were any questions related to the Water Production Snapshot; None.

6. Well # 1 Site Survey – General Manager Smith briefed the BOD on the current Conditional Use Permit application status. He advised the BOD that the staff was waiting for additional feedback from SB County representatives.

7. Water Sales Snapshot: As of 12/31/23 – Secretary Patterson briefed the BOD on the total water sales on 12/31/23 and how that compared to budgeted figures. BOD President Duwel asked the BOD if there were any questions related to the Water Sales Snapshot; None.

8. Update on Communication w/ Legal and Water Rate Study – GM Smith informed the BOD that the Water Rate Study Engineer revisions had been received and seem to have captured all anticipated and expected needs for rate revision. BOD President Duwel asked the BOD if there were any questions; None.

9. 2024 Mileage Reimbursement Rate – Secretary Patterson briefed the BOD on the mileage reimbursement rate for the 2024 calendar year. BOD President Duwel asked the BOD if there were any questions; None.

10. Annual Form 700: Signatures Needed – Secretary Patterson distributed the 2023 Form 700 forms to each individual BOD member; forms were signed and returned to Secretary Patterson.

11. Policy Revisions / Additions – DRAFT: 1040 Claims, 1060 Public Complaints, 3030 Fixed-Asset Accounting, 3032 Fixed-Asset Capitalization, 3080 Purchasing, 3085 Surplus Property: First Reading – BOD President Duwel asked the BOD if there were any questions on the DRAFT versions of the policies; None. BOD President Duwel asked that these policies be presented again at the February 2024 BOD Meeting as a “Second Reading” and an “Action Item.”

12. Policy Revisions / Additions: 3038 Lien Placement for Unpaid Balance – BOD President Duwel asked the BOD if there were any questions on the DRAFT version of the policy; None. BOD President Duwel asked that the policy be presented again at the February 2024 BOD Meeting as a “Second Reading” and an “Action Item”.

13. Internal Audit Report: G.A Hunter: September 2023 – Secretary Paterson briefed the BOD on the Internal Audit memorandum for September 2023. BOD President Duwel asked the BOD if there were any questions; None.

CONSENT LIST:

1. Approve December 20, 2023, Regular Meeting Minutes
2. Approve Accounts Payable/Pay Warrants (Bills to be Paid).

By Vice-President Woody to approve the Consent List, as presented by staff; second by Director Roberson. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

DISCUSSION/ACTION ITEMS:

1. Approve the January 2024 Office Rent Payment.

By Director Roberson to approve the January 2024 Office Rent payment; second by Director Kaminsky. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: Hunter. Absent: None.

2. Request Authorization to Begin SB 998 Postings and Apply Liens / Shut-off Services, if needed.

By Director Hunter to approve the SB 998 Postings / Shut-off list, as presented by staff, second by Vice-President Woody. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

3. Public Notification: District Staff Requests BOD Approval to Distribute Public Hearing Notice, Water Rate Memo, Cessation of PayClix E-Check Memo

By Director Hunter to approve the recommendation by staff to distribute the Notices/Memos as presented by staff; second by Director Roberson. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

4. Internal Audit Report Payment: G.A Hunter – September 2023.

By Vice-President Woody to approve the Internal Audit payment for September 2023; second by Director Kaminsky. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: Hunter. Absent: None.

DIRECTORS COMMENTS:

By Director Hunter to enter closed session at 6:37 PM; second by Director Roberson. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

By Director Kaminsky to exit closed session at 6:43 PM; second by Director Hunter. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

*Note-No reportable action taken in closed session.

DIRECTORS COMMENTS:

None.

ADJOURNMENT MOTION:

On motion of Director Hunter that there be no further business to discuss, the regular meeting was adjourned, seconded by Director Roberson. The meeting adjourned at 6:45 PM. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

Patricia Duwel, President
Board of Directors