

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

Wednesday, December 20, 2023

The Board of Directors of the Apple Valley Heights County Water District met in regular session and 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.

GENERAL MANAGER REPORT:

1. December 2023 – General Manager Smith informed the BOD that all monthly samples came back absent for contamination. The GM briefed the BOD on a variety of topics, to include: in-house maintenance/service on F-150, service line leak at 22558 Rancho (which was repaired by staff using a 1" clamp), security camera issues due to Verizon connectivity, solar panel deep cycle batteries and cables replaced at Central Tank site, removal of lien at 9462 Bella Vista due to account balance being paid and a customer side service line leak at 9364 Bella Vista. BOD President Duwel asked the BOD if there were any questions; None.

2. Efficiency Report – General Manager Smith briefed the BOD that, during the month of November 2023, the efficiency, for running both Well # 3 and Well # 4, calculated at 100.00%.

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 December 7th, 2023; the BOD was informed that a new agreement was being required by the state and that, as such, the state representative anticipated a schedule extension by approximately 4-6 months. BOD President Duwel instructed staff to develop a plan that allowed for rehabilitation of the existing tanks at the Mesa Tank site, as well as placing another tank at the Central Tank site, or alternate location, and presenting this plan to the BOD at the January 2024 BOD meeting.

DISCUSSION/INFORMATION:

1. November 2023 Delinquency: 52 Late Fees Applied, 5 Tags / SB 998 Packets Hung, 0 Services Turned Off (Verbal) – Secretary Patterson briefed the BOD on the Delinquency Report for the month of November 2023. BOD President Duwel asked the BOD if there were any questions related to the November 2023 Delinquency Report; None.

2. Profit/Loss: November 2023 – Secretary Patterson briefed the BOD on the P&L Report for November 2023. BOD President Duwel asked the BOD if there were any questions related to the November 2023 P&L Report; None.
3. Revenue Report: November 2023 – Secretary Paterson briefed the BOD on the Revenue Report for November 2023. BOD President Duwel asked the BOD if there were any questions related to the November 2023 Revenue Report; None.
4. Account Aging Report – Receivables as of 12/20/23 (Account Holder Names Removed) – Secretary Patterson briefed the BOD on the Account Aging Report for the month of November/December 2023. 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 November 30th, 2023, has produced 14.88 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 status of the Conditional Use Permit application and advised the BOD that a 40' container was purchased for the storage of the insulation and various building materials.
7. Water Sales Snapshot: Total Water Sales as of 11/30/23 – Secretary Patterson briefed the BOD on the total water sales, as of 11/30/23, 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. Internal Audit Report: G.A Hunter: August 2023 – Secretary Paterson briefed the BOD on the Internal Audit memorandum for August 2023. BOD President Duwel asked the BOD if there were any questions; None.
9. Internal Audit Report: G.A Hunter: September 2023 – Secretary Patterson informed the BOD that this item would be tabled until the January 2024 BOD Meeting.
10. Update on Communication w/ Legal and Water Rate Study – GM Smith informed the BOD that the Water Rate Study Engineer revisions had been reviewed and commented on by legal. BOD President Duwel instructed staff to take steps necessary for a Public Hearing regarding rate changes. BOD President Duwel asked the BOD if there were any questions; None.
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 – This item was tabled until the January 2024 BOD Meeting.
12. Request for BOD Guidance – Second Lien Criteria (Verbal) – Secretary Patterson asked the BOD for guidance on when a second lien should be placed on a property that already has a lien due to an unpaid water bill. BOD President Duwel instructed staff to revise current District policies to include second lien criteria as an additional \$400.00 beyond current lien, or 6 months' worth of additional charges, whichever happens first and present the policy to the BOD at the January 2024 BOD Meeting as a DRAFT-First Reading.
13. Kubota Sale Research Update (Verbal) – GM Smith & Secretary Patterson informed the BOD of all the steps necessary to sell the District Kubota, as it is an "Asset". The BOD agreed not to pursue the sale of the Kubota any further.

CONSENT LIST:

1. Approve November 15, 2023 Regular Meeting Minutes
2. Approve Accounts Payable/Pay Warrants (Bills to be Paid).

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

DISCUSSION/ACTION ITEMS:

1. Approve December 2023 Office Rent Payment.

By Director Roberson to approve the December 2023 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 Director Kaminsky. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

3. Internal Audit Report Payment: G.A Hunter – August 2023.

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

4. Motion to Ratify: Service Turn-off & Lien Placement.

No Action Taken – There were no liens placed or services turned off.

5. PayClix Echecks – Staff / Internal Auditor Recommendation: Not Allowing Echecks, Continue to Allow Debit/Credit Card Payments via PayClix

By Director Hunter to approve the recommendation by staff and the Internal Auditor to no longer allow payments via e-check; second by Director Roberson. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

DIRECTORS COMMENTS:

Director Kaminsky wished everyone a safe and happy holiday season.

Director Hunter reminded everyone to be safe when driving and wished everyone a happy holiday season.

BOD President Duwel wished everyone a safe and happy holiday season.

ADJOURNMENT MOTION:

On motion of Director Roberson that there being no further business to discuss, the regular meeting be adjourned; second by Vice-President Woody. Meeting adjourned at 6:49 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