

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

Wednesday, October 18, 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. October 2023 – General Manager Smith informed the BOD that one monthly sample tested positive for TC+ and that resample efforts had been completed and all repeat samples came back absent for contamination. The GM briefed the BOD on a variety of topics, to include: service line replacements within the District, efficiency/accuracy tests for Well # 3 and Well # 4 flowmeters, Well # 4 motor saver replacement, Mesa Tanks Site repair efforts, District vehicle service, maintenance and repairs and the donation of a concrete mixer to the District. 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 September 2023, the efficiency, for running both Well # 3 and Well # 4, calculated at 89.97%.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

1. Meeting Update – General Manager Smith briefed the BOD on the conference call results from the 10/5/23 conference call; the state hopes to have an answer back from accounting by mid-November. BOD President Duwel asked the BOD if there were any additional questions related to the Grant Project; None.

DISCUSSION/INFORMATION:

1. September 2023 Delinquency: 40 Past Due Fees Applied, 3 SB 998 Packets Hung, 0 Services Turned Off (Verbal) – Secretary Patterson briefed the BOD on the Delinquency Report for the month of September 2023. BOD President Duwel asked the BOD if there were any questions related to the September 2023 Delinquency Report; None.

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

3. Revenue Report: September 2023 – Secretary Patterson briefed the BOD on the Revenue Report for September 2023. BOD President Duwel asked the BOD if there were any questions related to the September 2023 Revenue Report; None.
4. Account Aging Report – Receivables as of 10/18/23 (Account Holder Names Removed) – Secretary Patterson briefed the BOD on the Account Aging Report for the month of September/October 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 September 30th, 2023, has produced 102.52 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 informed the BOD on the “Conditional Use Permit” costs for SB County. BOD President Duwel asked staff to include the SB County permit requirements/costs as an “Action Item” for the November 2023 BOD meeting.
7. Water Sales Snapshot: Total Water Sales as of 9/30/23 – Secretary Patterson briefed the BOD on the total water sales, as of 9/30/23, 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-May 2023 – Secretary Patterson briefed the BOD on the Internal Audit Report for May 2023. BOD President Duwel asked the BOD if there were any questions; None.
9. Internal Audit Report: G.A Hunter-June 2023 – Secretary Patterson briefed the BOD on the Internal Audit Report for June 2023. BOD President Duwel asked the BOD if there were any questions; None.
10. Internal Audit Report: G.A Hunter-July 2023 – Secretary Patterson briefed the BOD on the Internal Audit Report for July 2023. BOD President Duwel asked the BOD if there were any questions; None.
11. AVHCWD Policy # 2023-GM-002: GM Shut-off & Lien Placement Authority DRAFT: SECOND READING – Secretary Patterson briefed the BOD on the DRAFT policy for the GM to be granted authority, from the BOD, to shut-off services and place property liens in certain scenarios. BOD President Duwel asked the BOD if there were any questions; None.
12. Communication w/ Legal Counsel: Update – Secretary Patterson briefed the BOD on the recent communications with legal counsel regarding the current water rate study status and the last five months of consumption data figures. Secretary Patterson informed the BOD that a conference call is scheduled for 9:30 AM, on 10/23/23, with legal counsel and the water rate study engineer representative. BOD President Duwel asked the BOD if there were any questions; None.
13. BAP (Base Annual Production) Purchase Opportunity: 2 AF in Alto Subarea @ \$7,025/AF – Secretary Patterson briefed the BOD on the purchase opportunity for 2 AF of permanent water in the Alto subarea. Secretary Patterson informed the BOD that this topic was also an action item on the current agenda.

CONSENT LIST:

1. Approve September 20, 2023 Regular Meeting Minutes

By Vice-President Woody to approve the September 20, 2023 Regular Meeting Minutes, as presented by staff; second by Director Roberson. Yes: Duwel, Woody, Kaminsky & Roberson. No: None. Abstain: Hunter. Absent: None.

2. Approve Accounts Payable/Pay Warrants (Bills to be Paid).

By Director Roberson to approve the Accounts Payable list, as presented by staff; second by Director Kaminsky. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

DISCUSSION/ACTION ITEMS:

1. Approve October 2023 Office Rent Payment.

By Director Roberson to approve the October 2023 Office Rent Payment; second by Vice-President Woody. 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 Vice-President Woody to approve the SB 998 Shut-off list, as presented by staff; second by Director Hunter. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

3. Internal Audit Report Payment: G.A Hunter – May, June, July 2023.

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

4. AVHCWD Policy # 2023-GM-002: GM Shut-off & Lien Placement Authority: BOD Action

By Director Hunter to approve the AVHCWD Policy # 2023-GM-002: GM Shut-off & Lien Placement Authority, as presented by staff; second by Director Kaminsky. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

5. Motion to Ratify: Service Turn-off & Lien Placement: ACCT# 187.

Motion to Ratify, by Director Hunter, the service turn-off, due to lack of payment, for ACCT # 187; second by Director Kaminsky. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

6. ACCT # 59A: Customer Request for Article 12 Status and Waiver of Late Fees

By Director Hunter to approve the customer request to transition billing status, to an Article 12 status, as requested by the property owner; second by Vice-President Woody. Yes: Duwel, Woody, Hunter, Kaminsky & Roberson. No: None. Abstain: None. Absent: None.

7. BAP (Base Annual Production) Purchase Opportunity: 2 AF in Alto Subarea @ \$7,025/AF

By Director Roberson to approve the purchase of 2 AF of BAP in Alto Subarea @ \$7,025/AF; second by Vice-President Woody. Yes: Duwel, Roberson. No: Woody, Hunter, Kaminsky. Abstain: None. Absent: None.

DIRECTORS COMMENTS:

Director Roberson asked staff to consider and/or research the opportunity to install flow restrictors on customer connections that use more than 3600 CF monthly.

ADJOURNMENT MOTION:

On motion of Vice-President Woody that there being no further business to discuss, the regular meeting be adjourned; second by Director Roberson and carried. Meeting adjourned at 7:01 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