

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

Wednesday, October 16, 2024

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, Kaminsky, Lincoln, Roberson (AVHCWD Office).

Absent: None.

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

Public Present: None.

PUBLIC COMMENT:

None.

GENERAL MANAGER REPORT:

1. GM Smith briefed the BOD on a variety of topics to include: various customer service line issues and responses within the District, various maintenance and services performed on District infrastructure, an overall update on the status of the Well # 4 rehabilitation, an observed leak with the drain valve on the eastern most tank at the Mesa Tank site and an overall update on the sampling process within the District. BOD President Duwel asked the BOD if there were any additional questions; None.

2. September 2024 Efficiency Report – General Manager Smith informed the BOD that, during the month of September 2024, the efficiency, for running Well # 3 alone, calculated at 77.54%. BOD President Duwel asked the BOD if there were any additional questions; None.

3. Lead Service Line Inventory: LTRU Update – GM Smith provided the BOD with an overall summary and update of the lead service line inventory efforts within the District. BOD President Duwel asked the BOD if there were any additional questions; None.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

1. Meeting Update: Conference Call – Secretary Patterson informed the BOD that he called in for the monthly conference call, on 10/3/24, but no other attendees called in.

2. Resolution 005-2024: DRAFT Resolution for Grant Termination – Secretary Patterson presented the BOD with a DRAFT resolution outlining the District’s intent to terminate the grant project and withdraw for the grant process.

By Director Lincoln to present Resolution 005-2024 to the AVHCWD BOD as an “Action Item” at the regularly scheduled meeting for November, 2024; second by Director Roberson. Yes: Duwel, Woody, Kaminsky, Lincoln & Roberson. No: None. Abstain: None. Absent: None.

DISCUSSION/INFORMATION:

1. September 2024 Delinquency: 77 Late Fees Applied, 22 Door Tags Hung, 13 SB 998 Packets Hung, 1 Service Turned Off (Verbal) – Secretary Patterson briefed the BOD on the Delinquency Report for the month of September 2024. BOD President Duwel asked the BOD if there were any questions related to the September 2024 Delinquency Report; None.
2. Profit/Loss: September 2024 – Secretary Patterson briefed the BOD on the P&L Report for September 2024. BOD President Duwel asked the BOD if there were any questions related to the September 2024 P&L Report; None.
3. Revenue Report: September 2024 – Secretary Patterson briefed the BOD on the Revenue Report for September 2024. BOD President Duwel asked the BOD if there were any questions related to the September 2024 Revenue Report; None.
4. Account Aging Report – Receivables as of 10/16/24 (Account Holder Names Removed) – Secretary Patterson briefed the BOD on the Account Aging Report for the month of September/October 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 September 30th, 2024, has produced 105.78 AF of water and this completed the 2023-24 Water Year. BOD President Duwel asked the BOD if there were any questions related to the Water Production Snapshot; None.
6. Water Sales Snapshot: Total Water Sales as of 9/30/24 – Secretary Patterson briefed the BOD on the total water sales, as of 9/30/24, 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.
7. AVHCWD Finance Committee Workshop: Update – BOD President Duwel and Secretary Patterson provided the BOD with a verbal update on the AVHCWD Finance Committee Meeting, on 10/9/24, along with associated recommendations made by the AVHCWD Finance Committee. BOD President Duwel asked the BOD if there were any questions related to the AVHCWD Finance Committee meeting; None.
8. Well # 4 Update: Well Rehab Quote, Equipment Rehab Quote – GM Smith briefed the BOD on the overall status of the Well # 4 rehabilitation and expected schedule. BOD President Duwel asked the BOD if there were any questions; None.
9. Internal Audit Reports: August 2024 – Secretary Patterson briefed the BOD on the Internal Audit report for August 2024. BOD President Duwel asked the BOD if there were any questions; None.
10. Late Fee Consideration – 10% of Total Balance vs. \$20 Blanket Fee – Secretary Patterson briefed the BOD on the option to consider a 10% Late Fee charge rather than a \$20 blanket Late Fee charge, as well as a 3% Interest charge on accounts that have balances > 60 days. BOD President Duwel asked staff to send the proposed fees to Legal for review and, upon approval from Legal, present to the BOD as an “Action Item” at the regularly scheduled meeting for November 2024.
11. New Service Line Connections: Staff Recommends a “Moratorium” on new service line connections, within the District – GM Smith and Secretary Patterson briefed the BOD on the continued production beyond FPA that the District is incurring year-over-year; as such, staff recommends a moratorium on new service line connections, to be reviewed annually at the Public Hearing. BOD President Duwel asked staff to create a Resolution and present to the BOD as an “Action Item” at the regularly scheduled meeting for November 2024.

12. Director Kaminsky Request – Director Kaminsky requested the GM to research alternative bookkeeping/audit options and advise the BOD at a future meeting.

CONSENT LIST:

1. Approve September 18, 2024 Regular Meeting Minutes
2. Approve Pay Warrants / Bills to be Paid

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

DISCUSSION/ACTION ITEMS:

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

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

2. Street Valve at Rancho/Flora Vista: Component Pricing & Subcontractor Scope/Quote/Timeline.

By Director Lincoln to approve the quote provided by Kelley's Underground for a cost NTE \$9,800.00; second by Director Roberson. Yes: Duwel, Woody, Kaminsky, Lincoln & Roberson. No: None. Abstain: None. Absent: None.

3. Staff Member Spending Limit: \$200.00 / Month.

By Director Lincoln that each staff member have a \$200.00 per month spending authority for necessities in between Finance Committee and/or BOD Meetings; second by Director Roberson. Yes: Duwel, Woody, Kaminsky, Lincoln & Roberson. No: None. Abstain: None. Absent: None.

4. East Mesa Tank Repairs: Drain Valve Replacement , Component Pricing, Staff Scope/Timeline

No action was taken by the BOD on this topic.

5. Replacement Door for District F-250.

By Vice President Woody to approve the quote for the replacement of the District F-250 driver's side door for a cost NTE \$1000.00; second by Director Lincoln. Yes: Duwel, Woody, Kaminsky, Lincoln & Roberson. No: None. Abstain: None. Absent: None.

6. ACCT # 177A: Customer Requests Balance Adjustment – GM Smith explained the situation with the customer's meter for ACCT # 177A to the BOD.

By Director Roberson to approve the customer request for balance adjustment for ACCT # 177A; second by Director Lincoln. Yes: Woody. No: Duwel, Kaminsky, Lincoln, Roberson. Abstain: None. Absent: None.

DIRECTORS COMMENTS:

None.

Meeting adjourned at 7:24 PM

Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

Patricia Duwel, President
Board of Directors