

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

Tuesday, May 8, 2018

The Board of Directors of Apple Valley Heights County Water District met in regular session and held the regular meeting at 6:00 p.m. at the regular meeting place 9429 Cerra Vista, Apple Valley, California. The meeting was called to order at 6:06 p.m. Director Hunter led the Pledge of Allegiance.

ROLL CALL:

Directors Present: Duwel (via teleconference), Hunter and Woody.

Absent: Kaminsky.

Also Present: General Manager-Daniel Smith and Secretary Patterson.

Public Present: None.

Public Comment: None.

MOTIONS:

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

GENERAL MANAGER REPORT:

1. May 2018 – GM briefed the BOD that all samples collected came back absent. GM briefed the BOD that trespassing occurred at the district well site; staff sought estimates from Hi Desert Alarm for security, but costs were too high. As a result, staff will work on installing security cameras at the well site. GM briefed BOD about the same section of main leaking at Bella Vista and that staff cut out the section of main and replaced with a new piece of pipe and couplings. GM briefed BOD that the F-250 service truck experienced a check engine light problem for cylinder # 4, but Big Apple Auto fixed the issue free of charge, as previous work was still under warranty. GM briefed the BOD about the bookkeeper estimate from Lisa Lugo; this information was for review purposes only and staff was not asking the BOD to take any action at this time.

2. Efficiency Report – President Hunter confirmed that the efficiency report was 91% and the GM confirmed this figure; the GM also stated that we need to get another pump test done to afford staff with a revised KWH/AF figure, but with well # 3 down, it makes sense to wait until the well components are reinstalled in order to have both well tested simultaneously.

3. Well # 3 (Status Update) – GM briefed the BOD that the most recent correspondence from JPIA informed the district that JPIA will not cover any portion of the costs associated with well rehabilitation or pump component repair. BOD instructed staff to continue moving forward and to get components repaired and reinstalled. GM also briefed the BOD that Legend sent a quote for additional chemical treatment and scrubbing/bailing of the well; the cost associated with these services is estimated at \$9,500. GM advised the BOD that we should wait until we get pricing for stainless steel and/or epoxy coating on well components and make a determination after additional quotes are received from Legend. The BOD agreed to table this issue until information is received and/or hold a special meeting in order to get BOD approval for costs associated with additional work.

4. PAYCLIX – GM briefed the BOD on what PAYCLIX is and how it represents an online payment option for our customers; the GM briefed the BOD on the charges to the district and the customers for the use of these services. The BOD instructed staff to survey the customers in a “mailer” format to determine customer interest in these services and bring survey information back to the BOD for decision making purposes.

5. Bella Vista – GM briefed BOD regarding quotes received for the 1000' section of main to be replaced on Bella Vista; the range of quotation process was from \$99,850 to \$42,000. The BOD asked staff to gather detailed quotations that specify all the details of the quotation / written proposal.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

1. Meeting Agenda – NV5/CRWA, Progress Meeting 5/2/18 (Teleconference) – GM briefed BOD on meeting highlights and stated that next meeting was scheduled for June 6th, 2018 at 11:00 AM

DISCUSSION/INFORMATION:

1. April 2018 Delinquency. (Verbal) – Secretary Patterson informed board members that in April 2018, 32 Tag Notices were mailed to customers; this resulted in 7 Turn-off tags being hung at resident locations and 4 services were turned off due to lack of payment and/or payment arrangements, with 2 of those services remaining off as of the time of the board meeting.
 2. Profit/Loss – April 2018. President Hunter asked if any Directors had questions; None.
 3. Revenue Report – April 2018. President Hunter asked if any Directors had questions; None.
 4. LAFCO – Proposed Budget and Rates for FY 2018-19 (Verbal) – Secretary Patterson briefed the BOD on the available copies of the LAFCO budget for FY 18-19. President Hunter asked if any Directors had questions; None.
 5. LAFCO – Policy Revision: HR and Financial Sections (Verbal) – Secretary Patterson briefed the BOD on the available copies of the LAFCO HR and Financial section policy changes. President Hunter asked if any Directors had questions; None.
- 2018-19 Annual Budget: Review – President Hunter asked other directors to review draft of budget and be prepared to ask any questions or concerns at the next regularly scheduled board meeting.

CONSENT LIST:

1. Approve April 10, 2018 Regular Meeting Minutes.
2. Approve Accounts Payable/Pay Warrants (Bills to be paid).

By Director Duwel, to approve the Consent List, as amended for item G-2, and as presented for item G-1 second by Vice-President Woody. Yes: Duwel, Hunter, Woody. No: None. Abstain: None. Absent: Kaminsky.

DISCUSSION/ACTION ITEMS:

1. Director Vacancy – Review of Candidates/Director Appointment – BOD briefly discussed candidate background. By Director Duwel, to appoint R. Roberson to fill vacancy on BOD; second by Vice-President Woody. Yes: Duwel, Hunter, Woody. No: None. Abstain: None. Absent: Kaminsky.
2. APN 0438-113-16 – Potential Change...Customer to address BOD – The property owner in question was not in attendance to address BOD; as a result, the BOD could take no action or hear any issues associated with this property.
3. Article 12 – DRAFT Verbiage for Deposit Fee associated with Reconnection (Second Reading) – GM briefed BOD on recommended verbiage changes and associated fees for new customer deposit, new meter installation, etc. By Director Duwel, to approve the recommended Article 12 verbiage changes; second by Vice-President Woody. Yes: Duwel, Hunter, Woody. No: None. Abstain: None. Absent: Kaminsky.
4. Annual Audit Y/E 6-30-17 DRAFT (Second Reading) – By Director Duwel, to accept the 6/30/17 DRAFT Annual Audit; second by Vice-President Woody. Yes: Duwel, Hunter, Woody. No: None. Abstain: None. Absent: Kaminsky.
5. Temporary Transfer of Carryover Water Rights (12AF @ \$200/AF for \$2400.00 total) – Secretary Patterson briefed the BOD that a source had been identified to purchase temporary water rights from in order to increase the available FPA for AVHCWD in the current water year.

By Director Duwel, to approve the purchase of 12 AF of carryover water rights, at a price of \$200 / AF, for a total purchase price of \$2400.00; second by Vice-President Woody. Yes: Duwel, Hunter, Woody. No: None. Abstain: None. Absent: Kaminsky.

6. Bella Vista Main Replacement – Quotation discussion and Contractor Selection (Verbal) – BOD agreed to table this topic until detailed proposals and scope of work is received from potential contactors.

CLOSED SESSION:

None.

DIRECTORS COMMENTS:

Director Hunter briefed the BOD that he would absent for the regular BOD meetings in June and July.

ADJOURNMENT MOTION:

On motion of Vice-President Woody that there being no further business to discuss, the regular meeting be adjourned, second by Director Duwel, and carried. Meeting adjourned at 6:39 p.m. Yes: Duwel, Hunter, Woody. No: None. Abstain: None. Absent: Kaminsky.

Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

William Woody, Vice-President
Board of Directors