

G-1

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

Tuesday, September 11, 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 6:00 P.M. BOD President Hunter led the Pledge of Allegiance.

ROLL CALL:

Directors Present: Hunter, Woody, Duwel, Kaminsky and Roberson.

Absent: None.

Also Present: General Manager Smith

Public Present: None.

Public Comment: None

MOTIONS:

By Director Kaminsky, to approve the July 10, 2018 Meeting Minutes; second by Vice-President Woody.
Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

By Director Duwel to approve the Payable/Pay Warrants (Bills to be paid); second by Director Kaminsky.
Yes: Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: Hunter. Absent: None.

GENERAL MANAGER REPORT:

1. September 2018 – The GM briefed the BOD that all samples collected came back absent. The GM briefed the BOD that well # 3 is back on-line and running. The GM briefed the BOD that a few customers have contacted staff regarding the certified letters that were sent in reference to Article 12; four accounts want to continue as an inactive account and pay the inactive service fee. Director Roberson asked for clarification regarding what happens when a service is considered abandoned; the GM explained that an abandoned service line would be physically removed from the system and that future water service connection would require a capital connection fee to be paid. President Hunter asked if the service line would be removed, or just the service meter; the GM explained that the service lines in question do not have a meter, only a connection to the main. The GM briefed the BOD that staff has still been experiencing issues with internet connectivity through Frontier; Director Roberson asked if any Frontier technicians had been out to address the issues; the GM informed the BOD that a technician came out and the line for the router was rerouted, but there were still issue after the service call. Director Kaminsky mentioned that the upgraded Frontier system requires a separate line for internet vs. phone. The GM briefed the BOD that our office is too far away from the Frontier hub and, therefore, cannot have access to the upgraded service. The GM informed the BOD that staff added a concrete foundation to the air-vac and air-vac cover at the top of Bonita Vista. The GM briefed the BOD that staff was working with Geek Squad in an attempt to establish some computer networking options within the office; however, Geek Squad quoted between \$3000 and \$5000 and staff decided not to pursue the issue with Geek Squad; President Hunter recommended Computer Solutions and stated he would deliver the needed contact information to the GM. The GM briefed the BOD that staff purchased a pressure washer to ensure the well components are kept clean form ravens that are creating a significant mess at the well site. The GM briefed the BOD that both wells had efficiency tests conducted and that well # 3 is approximately 72% efficiency and well # 4 is operating at 54% efficiency. President Hunter asked if there were any main leaks; the GM briefed the BOD that there were no main leaks for the month.

2. Efficiency Report – The GM briefed the BOD that the hour meter for well # 3 was running when staff was pumping well # 3 to waste after the repairs were completed and this accounts for the efficiency appearing skewed.
3. Customer Survey Status – The GM briefed the BOD that, as of the time of the meeting, staff have received back 25 survey forms; 18 of the 25 request online payment capabilities and 7 state they are not interested.
4. BOD Ethics Training – The GM briefed the BOD that President Hunter and Director Kaminsky have refresher training that needs to be completed.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

1. Meeting Agenda – NV5/CRWA, Progress Meeting (Teleconference) 8/2/18 – No meeting since 8/2/18.
2. Grant Checking Account Summary Report – Grant Checking Account – Summary Report (Major Change – Disbursement # 4 & 5 Combined Check from State of CA)
3. Bills to pay:
 - NV5 – Disbursement # 4 – \$12,607.25 (Geotechnical investigation, coordination with environmental consultants, preliminary engineering reports, reimbursement request to state)
 - NV5 – Disbursement # 5 – \$20,432.78 (Geotechnical investigation, preliminary engineering reports, reimbursement requests to state)
 - RCA Associates – Disbursement # 5 – \$15,552.85 (Biological resources investigation/report & cultural resources investigation/report).
 - Total - \$48,592.98

By Director Duwel to authorize the AVHCWD GM to sign and submit the Preliminary Design and CEQA Documentation: NV5 and AVHCWD Agreement as presented; second by Director Roberson. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

DISCUSSION/INFORMATION:

1. August 2018 Delinquency. (Verbal) – 33 Tag Notices: 8/21/18; 6 Door Tags: 8/29/18; 0 Services Turned Off. The GM briefed the BOD that no services were turned off.
2. Profit/Loss – August 2018. President Hunter asked if any Directors had questions; None.
3. Revenue Report – August 2018. President Hunter asked if any Directors had questions; None.
4. CoBank Funding / Line of Credit: Bella Vista Main Replacement – The GM briefed the BOD that staff does not recommend getting a line of credit.

CONSENT LIST:

1. Approve August 14, 2018 Regular Meeting Minutes.
2. Approve Accounts Payable/Pay Warrants (Bills to be paid).

By Director Duwel to approve the Consent list as presented, both G1 and G2; second by Vice-President Woody. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

DISCUSSION/ACTION ITEMS:

1. Change in Internet Service Provider – AT&T Cell Phone, Landline, Hotspot Bundle (Verbal). The GM had previously briefed the BOD on internet connectivity issues for staff at the AVHCWD office; additionally, the GM briefed the BOD that there would be a cost savings after the bundle is completed, compared to current monthly spending with both AT&T and Frontier. Director Duwel asked for clarification regarding what would be used as a “hot spot” at the office; the GM briefed the BOD that AT&T would be providing a tablet, with cellular capabilities, that would serve as the office “hotspot”. Director Roberson and Vice-President Woody asked if the plan included unlimited data and the GM stated that it did.

Director Duwel asked for the specifications of the contract and the GM informed the BOD that it would be a two year contract. Director Duwel asked how long we have been struggling with Frontier and the GM briefed the BOD that internet connectivity has been an issue for a few years. By Director Duwel to approve switching to AT&T for Cell Phone, Landline, Hotspot bundle; second by Director Kaminsky. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

2. Resolution # 202-2018: Restricted Fund Repayment Plan for Well # 3 Repairs (Final Reading) – By Director Duwel to approve Resolution # 202-2018; second by Vice-President Woody. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

3. Permanent Water Rights Purchase Opportunity: 42 AF – President Hunter briefed the BOD on a recent meeting he had with a gentleman named David at the Watermaster / MWA office; in summary, there is little concern, currently, with more recommended rampdown in the Alto subarea; the cost per AF data showed that the price for permanent water ranges from \$3,600 / AF to \$4,700. After significant discussion, a motion was made by Director Duwel to table this item and move on to item "I"; second by Director Roberson. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None. By Director Duwel to counter the seller's offer at \$4,500 / AF, with the purchase being funded from a secure loan with a fixed APR, and no closing costs or fees will be paid by AVHCWD towards the MRM fees associated with the purchase; second by Vice-President Woody. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

4. CoBank Funding / Loan – Bella Vista Repairs/Replacement & Permanent Water Rights Purchase – By Director Duwel to fund the main replacement on Bella Vista with 50% from Restricted Savings, 25% from General Savings and 25% from CIRF; second by Director Kaminsky. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

CLOSED SESSION:

By Director Duwel to move into closed session at 18:30 hours; second by Director Kaminsky. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

By Vice President Woody to exit closed session at 18:34 hours; second by Director Roberson. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

No notable action items to report.

DIRECTORS COMMENTS:

Director Duwel stated she will back up to her video conference area next month. Vice-President Woody asked about the elevation of the meter boxes at the new service connections near the intersection of Ocotillo and Central; the GM advised the BOD that the owner has yet to complete the property grading and the finished elevation of the boxes will be consistent with other boxes within the district.

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 1842 hours. Yes: Hunter, Woody, Duwel, Kaminsky, Roberson. No: None. Abstain: None. Absent: None.

Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

Larry Hunter, President
Board of Directors