

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

Thursday, November 8, 2018

The Board of Directors of Apple Valley Heights County Water District met in a special session and held the special 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, Duwel, Kaminsky, Roberson and Woody.

Absent: None.

Also Present: General Manager Smith, Secretary Patterson

Public Present: None.

Public Comment: None

**MOTIONS:**

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

**GENERAL MANAGER REPORT:**

1. November 2018 – The GM briefed the BOD that all water samples collected came back absent. The GM briefed the BOD that staff had a monthly Grant Project Meeting with NV5 and that representatives from Golden State Water were also in attendance to discuss some of the particulars of the potential interconnection with GSW. The GM briefed the BOD that Goodpseed no longer has an account set up for the district to be able to purchase food grade lubrication oil for the well pumps; as such, staff has purchased the oil needed from Beck Oil. The GM briefed the BOD that staff had created the “Inactive” accounts for those inactive customers that chose to keep their service line in place rather than abandoning it.

2. Efficiency Report – The GM briefed the BOD that the system efficiency appears to be dropping slightly, but the GM is confident this is due to lower production in the winter rather than in the summer. Director Kaminsky asked how long a water meter lasts; the GM briefed the BOD that most meter manufacturers recommend replacement every ten (10) years; additionally, the GM reminded the BOD that the district made significant efforts at replacing a large amount of customer meters in 2013/14.

3. Customer Survey Status – The GM briefed the BOD that, as of the time of the meeting, staff have received back 33 survey forms; 25 of the 33 request online payment capabilities and 8 state they are not interested. Additionally, the GM informed the BOD that staff does not anticipate receiving a large amount of surveys back in the future and the GM considers that the amount of surveys received back could be viewed as a “representative sample”.

**GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:**

1. Meeting Agenda – NV5/CRWA/GSW, Progress Meeting (10/15/18) – The GM briefed the BOD that the most recent meeting had representatives from NV5, as well as GSW, to discuss the topic of the interconnection; the GM briefed the BOD that the representatives from GSW were in favor of the interconnection and that staff was still awaiting further feedback from the NV5 engineer and GSW engineers on the detailed specifics for the interconnection. Additionally, staff briefed the BOD that GSW representatives had expressed an interest in the interconnection being structured in a manner to allow flow in both directions, as this would benefit both entities in an emergent scenario.

2. Grant Checking Account Report – Secretary Patterson briefed the BOD that there were no changes from the current month compared to the previous month; no questions from the BOD.

**DISCUSSION/INFORMATION:**

1. October 2018 Delinquency. (Verbal) – Director Duwel asked if the customer that was turned off had paid yet; Secretary Patterson briefed the BOD that the service turned off was still off due to lack of payment and communication attempts initiated by the district had been successful.
2. Profit/Loss – October 2018. President Hunter asked if any Directors had questions; Director Kaminsky asked for clarification of vacation payout for a retired AVHCWD employee; Secretary Patterson briefed Director Kaminsky that the payment in question was part of the Bills to Pay and Consent List for the October 2018 BOD meeting and that the BOD had approved the consent list and that President Hunter had abstained from the approval of the consent list. Additionally, Director Kaminsky asked for clarification on “Late Charges”; Secretary Patterson briefed the BOD that the late charges are entered as a separate line item, when invoicing, to add clarity for accounting purposes.
3. Revenue Report – September 2018. President Hunter asked if any Directors had questions; None. Secretary Patterson briefed the BOD that the revenue report was set up differently to reflect the consideration of “Inactive” vs. “Active” accounts.

**CONSENT LIST:**

1. Approve October 9, 2018 Regular Meeting Minutes.
2. Approve Accounts Payable/Pay Warrants (Bills to be paid).

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

**DISCUSSION/ACTION ITEMS:**

1. On-Call Staff Vehicle Use – Verbal: Secretary Patterson briefed BOD on occasions where staff use of district vehicles for on-call purposes is necessary.  
By Director Duwel to authorize the use of district vehicles, by staff, for on-call purposes; second by Vice-President Woody. Yes: Hunter, Duwel, Kaminsky, Roberson, Woody. No: None. Abstain: None. Absent: None. Director Duwel asked that staff track miles of vehicle use and create an operator log for tracking purposes.
2. PayClix and/or Square Payments: President Hunter stated that he does not think the district should pay fees for making it easier for customers to pay bills; Director Duwel stated that she did not see the cost effectiveness of the program at this time. The GM asked to BOD to consider the application of the Square software, as this feature does not apply fees to the district, rather, the customer would pay the service fees associated with the use of payment via credit/debit card. President Hunter recommended making some type of communication effort to let customers know the fees associated with making payment via Square to ensure there is clarity before payments are processed. Director Duwel stressed that Square seems to be a more viable option, so long as the district staff makes sure that there is a clear explanation of the additional fees, to the customer, every time a payment is made via credit/debit card.  
By Director Duwel to authorize staff to use the Square software option for payment via credit/debit card, for a 90-day period, to determine the specifics of how the process will impact the district; second by Director Roberson. Yes: Hunter, Duwel, Kaminsky, Roberson, Woody. No: None. Abstain: None. Absent: None.
3. Bella Vista Main Replacement – Change in Scope of Work and Price: The GM briefed the BOD on the changes in scope needed to avoid the 36” main high pressure gas pipeline; additionally, the GM briefed the BOD about the changes in district infrastructure with valves/piping and how the placement of a 4-pack valve at the intersection of Outpost and Bella Vista will allow for additional piping to be installed in the future. Director Duwel asked if staff had a recommendation for how the district will fund the invoice associated with the scope of work; Secretary Patterson briefed the BOD that the Reserve, CIRF and General Savings accounts could be used to fund the work.

By Director Duwel to approve the changes in scope of work and the new invoice associated with the changes to be funded with 10% of the invoice being paid from the Reserve account, 30% from the General Savings account and 60% from the CIRF account; second by Vice-President Woody. Yes: Hunter, Duwel, Kaminsky, Roberson, Woody. No: None. Abstain: None. Absent: None.

**CLOSED SESSION:**

None.

**DIRECTORS COMMENTS:**

Director Duwel wished everyone a Happy Thanksgiving. Director Roberson asked how long the warranty would last for the work performed by the subcontractor for the Bella Vista pipeline/service line replacement efforts; the GM informed the BOD that the warranty would last for one (1) year.

**ADJOURNMENT MOTION:**

As this meeting served as a special meeting for the month of November, the BOD agreed that the special meeting would take the place of the regular monthly meeting for November and adjourned the regularly scheduled November meeting until the Month of December, to be held December 11, 2018.

On motion of Director Duwel that there being no further business to discuss, the special meeting be adjourned, second by Director Kaminsky, and carried. Meeting adjourned at 1832 hours. Yes: Hunter, Duwel, Kaminsky, Roberson, Woody. No: None. Abstain: None. Absent: None.

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Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

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Larry Hunter, President  
Board of Directors