

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

Wednesday, September 18, 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 6:01 P.M. BOD President Duwel led the Pledge of Allegiance.

ROLL CALL:

Directors Present: Directors Duwel, Woody, Kaminsky, Lincoln (AVHCWD Office).

Absent: Director Roberson.

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

Public Present: T. Pugh.

PUBLIC COMMENT:

None.

DISCUSSION/ACTION ITEMS:

Note – In order to allow T. Pugh the opportunity to address the BOD rather than wait for the duration of the BOD meeting, the following action was taken:

By Director Kaminsky to move Discussion/Action Item # H-2 to this point in the BOD meeting; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

Customer T. Pugh addressed the BOD outlining his continued concerns with his June 2024 billing statement; customer Pugh explained his perspective on his consumption and why he felt that his June 2024 water consumption invoice was incorrect. BOD President Duwel informed Mr. Pugh that the AVHCWD BOD has no history of "forgiving" metered water consumption. BOD President Duwel reminded Mr. Pugh that he also has the options of having the meter tested for accuracy, for which he would be responsible for the testing costs if the meter tested accurate to a degree of +- 3%, or the BOD could offer a 12-month payment plan.

By President Duwel to deny the customer's request to have a portion of the June 2024 consumption at his property "forgiven", but allow Mr. Pugh to have until 9/24/24 to make a decision on whether he prefers to test the meter or have a 12-month payment plan for the remaining account balance; second by Director Lincoln. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

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, notification to Town of Apple Valley regarding illegal trash dumping near the District well site and the current status of Well # 4 rehabilitation efforts, to include recent damage to well site fence by the subcontractor. BOD President Duwel asked the BOD if there were any additional questions; None.

2. August 2024 Efficiency Report – General Manager Smith briefed the BOD that, during the month of August 2024, the efficiency, for running Well # 3 alone, calculated at 99.96%.

GRANT FUNDING UPDATE & PROGRESS/DISCUSSION/ACTION ITEMS:

By Director Kaminsky to move the Grant Funding Update Discussion topic to Closed Session; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

DISCUSSION/INFORMATION:

1. August 2024 Delinquency: 56 Late Fees Applied, 8 Tags / SB 998 Packets Hung, 0 Services Turned Off (Verbal) – Secretary Patterson briefed the BOD on the Delinquency Report for the month of August 2024. BOD President Duwel asked the BOD if there were any questions related to the August 2024 Delinquency Report; None.

2. Profit/Loss: August 2024 – Secretary Patterson briefed the BOD on the P&L Report for August 2024. BOD President Duwel asked the BOD if there were any questions related to the August 2024 P&L Report; None.

3. Revenue Report: August 2024 – Secretary Patterson briefed the BOD on the Revenue Report for August 2024. BOD President Duwel asked the BOD if there were any questions related to the August 2024 Revenue Report; None.

4. Account Aging Report – Receivables as of 9/18/24 (Account Holder Names Removed) – Secretary Patterson briefed the BOD on the Account Aging Report for the month of August/September 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 August 31st, 2024, has produced 95.30 AF of water. 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 8/31/24 – Secretary Patterson briefed the BOD on the total water sales, as of 8/31/24, 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 9/16/24, 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: July 2024 – Secretary Patterson briefed the BOD on the Internal Audit report for July 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. BOD President Duwel asked staff to prepare this topic for an "Action" at the October 16th 2024 BOD Meeting.

CONSENT LIST:

1. Approve August 21, 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: None. Absent: Roberson.

DISCUSSION/ACTION ITEMS:

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

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

2. Customer ACCT # 180A – Continuation of Discussion from 8/21/24 BOD Meeting.

This item was moved in the meeting timeline; see section of minutes after "Public Comment".

3. Motion to Ratify – Lien Placement: 0438-351-34-0000
4. Motion to Ratify – Lien Placement: 0438-112-81-0000

By Vice-President Woody to ratify the action to place liens on APN 0438-351-34-0000 & 0438-112-81-0000; second by Director Kaminsky. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

5. Biennial Notice for Conflict of Interest – BOD to Vote on Need for Amendment.

By Director Lincoln that no amendment to the AVHCWD Conflict of Interest Policy is necessary; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

CLOSED SESSION:

By Director Kaminsky to enter closed session at 6:50 PM; second by Director Lincoln. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

By Vice-President Woody to exit closed session at 7:15 PM; second by Director Kaminsky. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

Reportable Action from Closed Session:

By President Duwel to instruct staff to being preparing/drafting a resolution terminating the AVHCWD Grant Project involvement and to route this topic and document through Legal before presentation to the BOD for action; second by Vice-President Woody. Yes: Duwel, Woody, Kaminsky & Lincoln. No: None. Abstain: None. Absent: Roberson.

G-1

DIRECTORS COMMENTS:

None.

Meeting adjourned at 7:16 PM

Matthew K. Patterson, Administrative Secretary-Treasurer

APPROVED:

Patricia Duwel, President
Board of Directors