

**WESTERN HEIGHTS WATER COMPANY
32352 AVENUE D
YUCAIPA, CA 92399-1899**

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

8:00 a.m. Friday, April 15, 2022

CALL TO ORDER / PERSONS IN ATTENDANCE

1. **PUBLIC COMMENT**

2. **APPROVAL OF MINUTES**

March 16, 2022 Annual Meeting
March 16, 2022 Board Meeting

3. **SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

Report - Ben Kelly

4. **BOARD MEETING SCHEDULE**

May Board Meeting – Friday, May 20, 2022

5. **GENERAL MANAGER'S REPORT:**

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for March 2022 are 5.1% higher than they were for March 2021, and 7.9% lower than for this time in 2021.

b. Budget Status and Financials – Exhibit 2

Total Bank Balance	\$4,620,941
Total Revenues:	\$149,759
Total Expenses	<u>\$348,686</u>
Net Income	\$(198,927)

Total revenues for 2022 are .4 percent higher than year to date in 2021. Expenses are 24.4 percent higher from this time last year. There are several factors in the increase in expenses. Edison had not billed the company for Well 9 usage for two years, increase in the price of fuel, and overall increases in supplies and materials.

Accounts Payable Register – Exhibit 3

Major Projects – Exhibit 4

c. Projects Status Update

Yucaipa GSA – The first annual report was submitted to DWR on schedule. The City of Redlands is considering withdrawing from the GSA. This will result in higher proportioned cost to each member agency. Discussions between the GSA board and the City of Redlands are ongoing. The next GSA meeting is April 27, 2022.

Lead Service Line Replacement and Customer Income Survey – The state, in conjunction with US EPA requirements, implemented the requirement that all copper service laterals that contain lead be replaced. For us, this applies to service lines installed before 2006. We developed a plan to replace these service lines as part of our routine pipeline replacements; however, we estimate completion to be 2032, which is beyond the state deadline. They say we need a plan to accelerate the work.

We are currently conducting an income survey of our service area. We are doing this to try to qualify for grant funding available for disadvantaged communities. If we are successful, we will use the grant to accelerate the lead service line replacements and meet the state deadline. If we are not, we will have to accelerate our replacement work to meet the state deadline.

Water Vending Machine – Our new alkaline water vending machine has arrived, and we are working to install it at the corner of 14th Street and Avenue D. We hope to have the machine online by the end of April.

Groundwater Recharge Project – YVWD has agreed to work jointly with WHWC company on a portable water recharge project. The plan is to recharge potable water into our aquifer by converting old Wells 3 and 6 into injection wells.

Because YVWD and WHWC are working together on this, MUNI will provide funding assistance for the project. We are beginning discussions with MUNI to find out what level of financial support they will provide us for the project. Once we have their commitment, we will proceed with the permitting and begin planning the well retrofit work.

Rate Increase – We increased water rates 5% July 1, 2021, and we increased the assessment 20% January 1, 2020. We are proposing a 7% increase starting June 1, 2022, for both the water rates and the assessment to keep pace with inflation to ensure we maintain adequate funding for operations and asset replacement.

The table below summarizes the current and proposed rates.

For a customer with a 5/8-inch meter, using 24 billing units and with 1 share, their will increase from \$86.97 to \$93.06 or \$6.09 per billing period.

	Proposed	Current	Increase
Basic (Delivery) Charge	107.0%		
Meter Size	6/1/2022	7/1/2021	
5/8" x 3/4"	\$47.93	\$44.79	\$3.14
1"	\$66.98	\$62.60	\$4.38
1-1/2"	\$95.51	\$89.26	\$6.25
2"	\$129.04	\$120.60	\$8.44
3"	\$196.17	\$183.34	\$12.83
4"	\$287.56	\$268.75	\$18.81
6"	\$510.73	\$477.32	\$33.41
Water Charges			
1-24 Units (24)	\$1.68	1.57	\$0.11
25-36 Units (12)	\$2.31	2.16	\$0.15
37-120 Units (84)	\$3.17	2.96	\$0.21
> 120 Units	\$4.38	4.09	\$0.29
Additional Unit	\$5,803.68	5,424.00	\$379.68
Construction Meter Charges			
Water Chages Per Unit	\$4.38	4.09	\$0.29
Assessments - Per Share/Per Year	\$28.89	27.00	\$1.89

6. ACTION ITEMS:

None

7. DIRECTORS' MATTERS