

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

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

8:30 a.m. Friday, April 19, 2019

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CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

March 13, 2019 Board Meeting  
March 13, 2019 Annual Shareholders' Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

May Board Meeting – Friday, May 17 at 8:00 a.m.

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

- a. Budget Status and Financials – Exhibit 1
- b. Proposed Water Tax – Through our membership with CalMutuals, we track proposed State legislation and work to steer support or defeat any proposed bills that have significant impact to the company. Most recently, we have been working on the proposed water tax bill. This bill, as originally written, would charge a per water meter tax that the company would have to pay to the State. The taxes collected are planned to go towards providing safe drinking water to disadvantaged communities and failing small water systems. Generally, there is support for providing safe drinking water, but little support for a meter tax. Working with CalMutuals and other agencies an alternative to the meter tax was proposed, where instead of a tax, the State would setup a trust fund instead. Interest from the trust fund will be used to fund safe drinking water projects. The State legislature has been very receptive, and the wording of the proposed bills has been amended. We will continue to monitor this and other bills.
- c. Rate Change Update – Notification about the new rate structure is on the WHWC website and inserts went out with the March water bills. There have been less than 20 calls from customers about the new rate structure so far. The new rates will be effective May 1. We have determined all the required changes needed to make in Incode, our billing and financial software.

- d. Asset Replacement Plan – We have begun work on our asset replacement plan. We have collected the basic data about all assets, the replacement costs, and estimated replacement years. We are now working to evaluate what the annual assessment should be. We will bring an update the asset replacement plan for review in May, and final recommendation for the assessment in June.
- e. Yucaipa GSA Update – The next meeting is Wednesday, April 24, 2019, 10:00 am, at Yucaipa City Hall. The key topic of discussion at the next meeting will be the public outreach plan. Dudek, the consultant, is gathering data to run the groundwater model, which will be used to determine the safe yield of the groundwater basin. We have also been working closely with MUNI, the City of Yucaipa, and Yucaipa Valley Water District on some potential joint projects for groundwater recharge using storm water retention basins.

6. DIRECTORS' MATTERS