

**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 19, 2024

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CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

March 20, 2024 Annual Shareholders Meeting  
March 20, 2024 Board Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

The May Board Meeting is scheduled for Friday, May 17 at 8:00 AM.

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for March 2024 are 7.5% lower than they were for March, and 0.3 higher than this time in 2023.

b. Budget Status and Financials – Exhibit 2

Total Bank Balance	\$5,493,793
Total Revenues:	\$180,051
Total Expenses	<u>\$248,695</u>
Net Income	\$ (68,644)

Total revenues for 2024 are 19 percent higher than this time last year. Expenses are 23.2 percent higher than this time last year. A vacuum trailer was purchased for \$56,000. Staff will use the vacuum trailer for the lead pipe survey, pipeline leaks, and general pipeline construction.

Accounts Payable Register – Exhibit 3

Major Projects – Exhibit 4

- c. Rate Increase – We review rate sufficiency annually. In general, we recommend rates be increased annually to keep up with inflation. We are recommending a 3 percent rate increase this year, and the attached General Manager’s report presents details of our recommendation. We are recommending the Board approve a 3 percent rate increase this year under the action items below.
- d. New Development Update
  - 18<sup>th</sup> and Avenue E – 19 Townhomes – Connection fees were sent to the developer.
  - 12<sup>th</sup> and Avenue E – 128 Single Family Homes – Developer to meet with Mark to determine fees.
  - Rasing Caines – Developer to meet with Mark next week to determine fees.
  - 32788 Oak Glen Road – Gas Station, Hotel – Developer to pay \$140,000 for a new 12-inch pipeline to replace the existing 8-inch line. Developer is expected to begin grading next month.
- e. Lead Service Line Replacement – EPA requires that we complete an inventory of all our water service lines by Oct 2024. After that, we are required to replace any service lines that potentially contain lead. We have been replacing old service lines as part of our annual pipeline replacement projects. There will be additional lines to replace, and we expect to be given a deadline of 5 to 7 years to complete the replacements. The State has money available to fund the service line replacement work. Maria Kennedy, who completed our income survey last year, is an expert in obtaining grant funding, and we have asked her to help us apply for any available grants. We need a resolution approved by the Board that approves us applying for the funding. A copy of the resolution is attached, and I am asking the Board to approve the resolution under the action items. Application for the grant does not obligate us accept the grant, and we would review the terms and conditions of the proposed grant closely before presenting the Board for approval.
- f. Yucaipa GSA – The second meeting of the GSA for 2024 is April 24.

6. ACTION ITEMS:

Approval for the Lead Service Line Replacement Project and Funding Request.

Approval for a five-percent rate increase. See General Manager’s Report.

7. DIRECTORS’ MATTERS