

**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 28, 2023

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CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

March 15, 2023 – Annual Shareholders Meeting  
March 15, 2023 – Board Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

May Board Meeting – Friday, May 19, 2023

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for March 2023 are 20.8% lower than they were for March 2022, and 10.2% lower than for this time in 2022. The lower water sales are due to the cool temperatures and the amount of rainfall we had.

b. Budget Status and Financials – Exhibit 2

Total Bank Balance	\$4,868,554
Total Revenues:	\$278,696
Total Expenses	<u>\$220,188</u>
Net Income	\$ 58,508

Total revenues for 2023 are 19.9 percent higher than year to date in 2022. Expenses are 13.5 percent lower from this time last year.

Accounts Payable Register – Exhibit 3

Major Projects – Exhibit 4

c. Project Updates

La Quinta Bridge Crossing – We recently completed installation of a new 8-inch water line on the new bridge across the Wilson Creek Channel behind the new La Quinta. The City of Yucaipa hired us to do this work. The city paid Western Heights \$58,690 for labor and materials. This was work that we accidentally left out the City's contract for the construction of the bridge.

Dangermond Property – Our crews are currently relocating an irrigation line that runs across the property we bought for the future reservoir site. We agreed to do this as part of the property purchase.

Proposed Rate Increase for 2023 – See the attached General Manager's report.

Asset Replacement Plan – As part of the review of rates, we also looked at and updated the asset replacement model. This ensures that we have adequate funds available for asset replacement. The updates include rates of returns on our investments, the actual vs estimated replacement costs of assets and other assumptions. The model updates show that the model is working well to plan and fund future asset replacement needs.

6. ACTION ITEMS:

Approval of the proposed rate increase for 2023.

7. DIRECTORS' MATTERS