

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

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

8:00 a.m. Friday, May 15, 2020

---

CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

March 30, 2020 Special Board Meeting

3. ELECTION OF OFFICERS

4. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

5. BOARD MEETING SCHEDULE

June Board Meeting – Friday, June 19, 2020 at 8:00 am.

6. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for April 2020 are 17 percent lower than they were for April 2019. But overall, for 2020, water sales are 110 percent of the total year-to-date for 2019.

b. Budget Status and Financials – Exhibit 2

Total Bank Balance                      \$1,725,567

Total Revenues:                              \$144,689

Total Expenses                                \$147,568

Net Income                                      - \$2,879

Total revenues for 2020 are 8 percent higher than year to date in 2019. Expenses are down 14 percent from this time last year. There are no unexpected variances in the budget, and we expect to be on budget for 2020.

- c. Acquisition of Service Charges – We have completed our review of the meter charge portion of the acquisition of service charge. See attached report in Exhibit 3. Below is a comparison of three approaches we evaluated. I recommend the Board adopt the 15-year option.

	<b>Current</b>	<b>20 Year</b>	<b>15 Years</b>	<b>10 Years</b>
Supply (Imported water from YVWD)		\$4,958	\$4,597	\$4,345
Asset Replacement		\$7,422	\$5,443	\$3,884
Debt Service		\$1,572	\$1,572	\$1,134
New Facilities		\$6,656	\$4,992	\$3,328
<b>TOTAL FACILITY CHARGE</b>	<b>\$10,848</b>	<b>\$20,608</b>	<b>\$16,604</b>	<b>\$12,691</b>
<b>Percent Increase:</b>		<b>89.97%</b>	<b>53.06%</b>	<b>16.99%</b>

- d. Water System Improvements – Work on the 12-inch water line replacement for Avenue D, between 16<sup>th</sup> and 17<sup>th</sup> Street is almost complete. Final disinfection of the line and cut over of the water service lines is a that is remaining.

The City of Yucaipa is going to re-pave Avenue D from 17<sup>th</sup> Street to 14<sup>th</sup> Street starting in June 2020. They informed us of this work last week. Because of this, we are going to replace the remaining 12-inch water line from 15<sup>th</sup> to 16<sup>th</sup> Street. This work will be completed by the WHWC field staff.

- e. New Development – Developers have talked to us about several new developments being planned soon:

- 1) Hotel at 14<sup>th</sup> and Oak Glen, behind ARCO
- 2) 70 new homes on 17<sup>th</sup> Street, between Avenues D and E
- 3) 19 Unit Apartment Complex at 18<sup>th</sup> and Avenue E
- 4) Chick Fil A at Dunlap and Avenue E

- f. Yucaipa GSA Update – April GSA meeting was held on April 27 at 10:00 am by teleconference. The March meeting was canceled. The main topic of discussion was an update on the USGS groundwater model, project schedule and budget. The project remains ahead of schedule and below budget. The next meeting will be on May 27, 2020 at 10:00 am and will be teleconference.

- g. Shut Offs for Non-Payment – April shut-offs were scheduled for April 29, however per the Governor’s order, no customers lost water service. We had 11 customers who would have been cut off. To date, there are three customers who have past due accounts. In addition, three customers requested payment arrangements for their bills due April 20. They paid half by the due date and the remaining balance was due May 20. All three customers have paid their accounts in full.

7. ACTION ITEMS:

- a. Approval of Updated Acquisition of Service Charges – To approve the updated meter charges based on the 15-year approach and that the meter charges be reviewed and updated annually using this approach.

8. DIRECTORS' MATTERS

- a. General Manager Annual Evaluation