



Minutes of May 17, 2024 Board of Directors Meeting

A Regular Meeting of the Board of Directors was held at the office of Western Heights Water Company, 32352 Ave D, Yucaipa, CA, on Friday, May 17, 2024. President Duane Burk called the meeting to order at 8:00 AM. Directors present: Armando De La Paz, Benjamin Kelly, Robert Zappia M.D; General Manager Mark Iverson, Office Manager Debbie Patrick. Also in attendance was Board candidate Chris Venable.

1. Public Comment – None
2. Board Vacancy – The Board went off record to interview Mr. Venable. Mr. Venable was unanimously elected to the Board of Western Heights Water Company. Other candidates were approached and considered.

Motion 07:24 – To elect Chris Venable to the Board of Western Heights Water Company. Motion made by Director Burk, seconded by Director De La Paz, and approved unanimously.

3. Minutes of Board Meeting – Minutes from the April 19, 2024 Board of Director’s and Annual Shareholders’ Meeting were reviewed and approved. Motion made by Director De La Paz, seconded by Director Kelly, and approved unanimously, with Director Venable abstaining.
4. San Bernardino Valley Municipal (MUNI) Report – Director Kelly reported the rate is at 40%. He was not able to get information on the Article 21 water. Director Burk reported they are planning on allowing the Oroville Reservoir to spill as the other reservoirs are at capacity. He and Brooke Shorey attended the groundbreaking ceremony for the Yucaipa Valley Water treatment plant expansion. He noted they the plant will be state of the art. He encouraged Brooke to be active in these activities with other agencies.
5. Board Meeting Schedule – The May Board of Directors meeting will be Friday, June 21 at 8:00 AM.
6. General Manager’s Report
 - a) Discussion Items
 - a. Water Sold – Water sales for April 2024 are .4% lower than they were for April 2023, and 0.1% higher than this time in 2023.
 - b. Budget Status and Financials – Total revenues for 2024 are 17.5% higher than this time last year. Expenses are 10.3% higher than this time last year. Expenses are higher this month due to property taxes and the purchase of additional Cyclops cameras for the meters.

Mr. Iverson reviewed the asset replacement plan, noting the company is doing well financially. He expects the company will be able to pay for costly replacements in the future without further burdening the shareholders

- c. New Development Update – Mr. Iverson gave an update on the following new developments in the service area.
 - i. 18th and Avenue E – 19 Townhomes – Connection fees totaling \$215,937 were paid May 3.
 - ii. 12th and Avenue E – 128 Single Family Homes – Developer to meet with Mark to determine fees. Connection fees will be approximately \$2.6M.
 - iii. Raising Canes – Developer to meet with Mark next week to determine fees. Connection fees will be approximately \$45,000.
 - iv. 32788 Oak Glen Road – Gas Station, Hotel – Developer to pay \$140,000 for his portion of a new 12-inch pipeline to replace the existing 8-inch line. The developer is expected to begin grading next month.
 - v. Avenue D between 12th and 13th Streets – 200 Senior Apartments. Administrative fee of \$1,500 paid and the Will Serve Letter was sent. Connection fees to be determined.
- d. General Manager Annual Review and Annual Bonus Resolution – The Directors discussed the General Manager’s review and bonus. The General Manager’s bonus is outlined in Resolution 2024-02.

Motion 08:24 – To approve a Resolution 2024-02 Authorizing Awarding One Lot of the 0 Tennessee Property to the General Manager as his Annual Bonus for the Period 2023-2027. Motion made by Director De La Paz, seconded by Director Zappia, and approved unanimously.


7. Action Items

None

8. Directors’ Matters

None

The meeting was adjourned at 9:10 AM.



Debbie Patrick, Secretary to the Board