



Western Heights Water Company

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Minutes of May 16, 2025, 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 16, 2025. President Duane Burk called the meeting to order at 8:00 AM. Directors present: Robert Zappia M.D., Benjamin Kelly, Chris Venable; General Manager Mark Iverson, Office Manager Debbie Patrick. Director Armando De La Paz attended telephonically.

1. Public Comment – None
2. Minutes of Board Meeting – Minutes from the April 18, 2025 Board Meeting were reviewed and approved. Motion made by Director De La Paz, seconded by Director Venable, and approved unanimously.
3. San Bernardino Valley Municipal (MUNI) Report – Director Kelly reported there was nothing pertinent to Western Heights. Director Zappia asked if MUNI was considering an increase in the commodity rate. Director Kelly reported there hasn't been any discussion regarding rate hikes.
4. Board Meeting Schedule – The June Board of Directors meeting will be Friday, June 13 at 8:00 AM.
5. General Manager's Report
 - a) Discussion Items
 - a. Water Sold – Water sales for April 2025 are 55.8% higher than they were for April 2024. The higher sales are due to drier weather this year. Although there has been drier weather in the area, the Sierra snowpack is good.
 - b. Budget Status and Financials – Total revenues for 2025 are .2% higher than this time last year. Expenses are 16.4% higher than this time last year. Operation expenses are higher year-to-date due to purchase of approximately \$51,800 for new meters, meter lids, and Cyclops cameras.
 - c. Proposed Deposit and Fee Schedule and Draft Policy Language – Mr. Iverson is reviewing the policy for deposits and fees. The directors will review the draft policy and provide comments at the next meeting.
 - d. San Bernardino County Credit – The reimbursement for the overpayment on the County permit was received May 2. The credit of \$23,787 will be shown next month in the May budget update.

- e. Avenue E & 12th Street Project – Staff met with the developers for a housing development of 126 homes on Avenue E & 12th Street. We are requiring them to make offsite improvements to upgrade 1,400 feet of existing 8-inch lines on both streets to 12-inch. These lines are old steel lines. The initial estimate for the offsite work, if completed by WHWC staff, was \$438,733. The developer was concerned about the cost, and they asked if there was anything we could do to reduce it. We are offering as a compromise that we deduct the labor and equipment cost charges, and they would pay for all material, and outside services for traffic control, soils testing and asphalt work. This brings the cost down to \$363,444. They are reviewing our offer. They are moving quickly and hope to break ground in six months. The estimate connection fees are \$2,772,000, which is about \$22,000 per home.
- f. Bruce Dickinson – Mr. Iverson reviewed the list of invoices for the project along with dates of correspondence between Mr. Dickinson and WHWC. The directors are concerned about the amount of time that has passed since the initial deposit and communication from Mr. Dickinson.

Motion 02:25 – To approve the General Manager to follow the attorney's recommendation for the Dickinson claim. Motion made by Director Zappia, seconded by Director Venable, and approved unanimously.

- g. Potable Water Recharge Project – Mr. Iverson attended the April 3 YVWD Board meeting to present the project and request their participation. They were very excited and want to participate. Mr. Iverson and YVWD are working on an agreement. There is a meeting at SBVMWD on May 20 to request their financial support for the project.

6. Action Items

None

7. Directors' Matters

Director Burk requested an update on testing of the aquifer as it relates to Sorenson. There was to be some monitoring for THM several years ago. Director Burk is concerned there may be an issue later when extracting water.

Director Kelly would like the directors' pay to be issued on a W-series form rather than a 1099. He has to pay a business tax with the 1099 reporting. Ms. Patrick checked with the company's accountant. The company can pay on a 1099 and deduct withholding if requested. None of the other directors have an issue with business tax. It is normal practice to pay directors on a 1099.

The meeting was adjourned at 08:33 AM.



Debbie Patrick, Secretary to the Board