



Minutes of July 23, 2021 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, July 23, 2021. President Green called the meeting to order at 8:00 am. Directors present: Robert Zappia, Benjamin Kelly, Duane Burk; General Manager Mark Iverson, Office Manager Debbie Patrick. Director Armando De La Paz attended via conference call.

1. Public Comment – None
2. Minutes of Board Meeting – Minutes from the June 18, 2021 Board Meeting were reviewed and approved unanimously. Motion by Director Zappia and seconded by Director Burk.
3. San Bernardino Valley Municipal (MUNI) Report – Director Kelly reported there was nothing of significance to Western Heights.
4. Board Meeting Schedule – The next meeting will be Friday, August 20 at 8:00 am.
5. General Manager's Report
 - a) Discussion Items
 - a. Water Sold – Water sales for June 2021 are 17% higher than they were for June 2020, and 14.2% higher than for this time in 2020.
 - b. Budget Status and Financials – Not including the income from the GAC settlement, total revenues for 2021 are 29.6 percent higher than year to date in 2020. Expenses are 13.2 percent higher from this time last year. Higher material costs have been significant in the increase in expenses. The directors reviewed the Accounts Payable Check Register for June 2021. There were no questions.
 - c. Projects Status Update
 - i. 16th Street House – The house closed July 15. It will be cleaned and the front yard landscaped similar to the office landscaping. It will be listed for rent in the next couple of weeks.
 - ii. Oak Glen Property – The \$250,000 offer fell through. It is still listed on the market.
 - iii. 13th Street Property – Mr. Iverson is working on the architectural rendering to show the City of Yucaipa planning department. He will need to know if they will accept the sea container concept and what architectural treatments are needed to have so that he can estimate

the construction cost. The purchase of the Dangermond property is in progress. Hillwig is working on getting the APN numbers for the Dangermond and Tennessee Street properties. Once those are obtained, the purchase of the Dangermond property will proceed and work will continue to sell the Tennessee property.

- iv. Pipeline Projects – Work on 18th Street, 18-inch pipeline for Avenue E to the freeway crossing is 85 percent complete. Staff has begun work on pipeline replacement on 13th Street from Kentucky Street to Avenue D. It is an unplanned project that we are doing because of the City’s work to install curbs and sidewalks. The city decided to do this work about a month ago. The pipelines in this section of 13th Street are old and need to be replaced.
 - v. Yucaipa GSA – The GSA has been meeting weekly to discuss the safe yields, management actions for the basin and annual fees for annual monitoring and pumping. The first draft of the GSA report was planned to be completed by the end of July but has been delayed a week or so. A draft will be submitted for public comment in late September. The project is still on schedule and below budget.
- d. Year-End Audit – The 2020 financial audit has been completed. The auditor found no issues with the company’s financials.
- MOTION 10:21** – To approve the audit as presented. Motion made by Director Burk, seconded by Director Zappia passed unanimously.
- e. South Booster – Mr. Iverson shared pictures of the completed work at South Booster. The electrical will be brought underground eventually and solar panels will be installed as part of a sunshade.

6. Action Items

None

7. Directors’ Matters

None

The meeting was adjourned at 8:50 AM.

The Board met in closed session to discuss employee benefits.



Debbie Patrick, Secretary to the Board