

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

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

8:00 a.m. Friday, October 15, 2021

CALL TO ORDER / PERSONS IN ATTENDANCE

1. PUBLIC COMMENT

2. APPROVAL OF MINUTES

September 27, 2021 Board Meeting

3. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

Report - Ben Kelly

4. BOARD MEETING SCHEDULE

November Board Meeting – Cancelled

December Board Meeting – Friday, December 17, 2021 at 10:00 AM, followed by
Company Christmas Lunch

5. GENERAL MANAGER'S REPORT:

a) Discussion Items

a. Water Sold – Exhibit 1

Water sales for September 2021 are 5.3% lower than they were for September 2020, and 7.3% higher than for this time in 2020.

b. Budget Status and Financials – Exhibit 2

Total Bank Balance \$3,849,520

Total Revenues:	\$ 226,174
Total Expenses	<u>\$ 288,306</u>
Net Income	\$ (62,133)

Not including the income for the GAC settlement, total revenues for 2021 are 12.7 percent higher than year to date in 2020. Expenses are 17.3 percent higher from this time last year. There are two primary reasons that expenses are trending higher than last year. First, there has been a significant increase in the cost of materials this year. The increases have been from 10 to 30 percent. The second reason is some unexpected repairs and maintenance. The motor for

Well 14 had to be rebuilt earlier this year, which was not budgeted. Also, we had several repairs to make because of the lightning storm that happened last month. The major repair and maintenance work for this year is complete, so we should finish the year closer to budget.

Accounts Payable Check Register September 2021 – Exhibit 3

Major Projects – Exhibit 4

c. Projects Status Update:

Potable Groundwater Recharge – We are beginning work on a project to evaluate the feasibility of potable groundwater recharge at the old Well 3 and 6 locations. This will be a joint project between WHWC and YVWD, with WHWC being the lead. YVWD will provide the potable water, and WHWC will provide the recharge wells. Both YVWD and WHWC will share in the amount of water recharged into the WHWC basin. By us teaming with YVWD for the project, MUNI will likely provide funding assistance for the project. We are working to finalize the scope and budget for the project, and to talk with MUNI about their financial participation in the project.

Yucaipa GSA – Comments for the administrative draft of the GSA report were submitted October 7, 2021. The draft of the GSA report for public comment will be sent out in early November. The project is still on schedule and below budget. The next GSA meeting is scheduled for next week, October 20.

6. ACTION ITEMS:

Approval of 2022 Employee Benefits Package, including changing the health coverage from Blue Shield Platinum Trio HMO to Health Net SmartCare HMO. See the General Manager's report for details.

7. DIRECTORS' MATTERS