



Western Heights Water Company

32352 Avenue D • Yucaipa, CA 92399-1899

Office (909) 790-1901 • Fax (909) 797-2619 • www.westernheightswater.org

Minutes of October 16, 2020 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, October 16, 2020. President Green called the meeting to order at 8:00 am. Directors present: Duane Burk, and Ben Kelly; General Manager Mark Iverson, Office Manager Debbie Patrick, Tony Phillips Tri-Focus. Dr. Robert Zappia attended via teleconference.

1. Public Comment – None
2. Minutes of Board Meeting – Minutes from the July 17, 2020 Board meeting was reviewed and approved. Motion by Director Burk and seconded by Director Kelly.
3. San Bernardino Valley Municipal (MUNI) Report – Director Kelly reported MUNI will discuss putting in three hydroelectric plants.
4. Board Meeting Schedule – The next Board Meeting is scheduled for Thursday November 19, 2020 at 8:00 AM. The December meeting will be held on Wednesday, December 16 at 10:00 AM with the company Christmas luncheon following.
5. General Manager's Report
 - a) Discussion Items
 - a. Water Sold – Water sales for September 2020 are 9% percent lower than they were for September 2019. Overall, for 2020, water sales are 3.3 percent higher than the total year-to-date for 2019.
 - b. Budget Status and Financials – Total revenues for 2020 are 11.9 percent higher than year to date in 2019. Expenses are 3 percent higher from this time last year. There are no unexpected variances in the budget. The company should end the year at budget for total income and slightly under budget for expenses. Staff will be installing pumps at North Booster. The pumps were purchased last year. Mr. Iverson is working on the solar cover. He is working with Edison on the permitting.
 - c. New Development – The meter for Chick-fil-A has been installed and they have paid the acquisition of service fees. Quick Quack Car Wash has been invoiced for their acquisition of service fees. The project for 70 homes on 17th Street fell out of escrow but they are working with other potential buyers. There are several others that have been in discussion with the office.

- d. Yucaipa Basin GSA Update – There was not a meeting in September. The next meeting will be on October 28, 2020 at 10:00 and will be teleconference. The first public hearing should be in January. The model is complete. USGS is doing some verification.
- e. 123TCP – Mr. Iverson sent out three bids, request for proposals for the installation. He received two out of three. One of the contractors did not want to bid because it wasn't a prevailing wage project. Mr. Iverson is working with the low bidder.

Director Kelly asked about projections of water usage and will WHWC be able to get more water from Yucaipa. Mr. Iverson note it is something to look at. Eventually the company will have to increase the amount of imported water. Currently WHWC is importing water voluntarily. The company can meet demands without imported water.

b) Action Items

a. Insurance Premium Increases

Motion 06:20 – To approve continuing with the current insurance provider and paying the medical insurance for employees. Motion made by Director Burk, seconded by Director Kelly, and passed unanimously.

Directors' Matters

Director Green invited Mr. Phillips to the meeting to discuss investment options. The current rate of return for CDs is very poor. Mr. Phillips suggested moving into Treasury Exchange Traded Funds. They are similar to a mutual fund. Mr. Phillips needs Board approval of the investment policy if they want to proceed. The Board will discuss this at the November meeting.

The Board discussed the vacancy left with the passing of Director Dahlke. The Board directed Ms. Patrick to advertise the position to the shareholders. She will send out a mailing and advertise on the website and the company's Facebook page. The Directors will review the resumes at the next meeting.

The meeting was adjourned at 9:01 AM.



Debbie Patrick, Secretary to the Board