



## Western Heights Water Company

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### Minutes of November 19, 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 Thursday, November 19, 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, Employee Brooke Shorey. Dr. Robert Zappia attended via teleconference.

1. Public Comment – None
2. Minutes of Board Meeting – Minutes from the October 2 Special Board meeting and October 16, 2020 Board meeting were reviewed and approved. Motion by Director Burk and seconded by Director Kelly.
3. San Bernardino Valley Municipal (MUNI) Report – Director Kelly reported MUNI will continue participation in the Dual Conveyance Project. This is the project to take the water around the delta.
4. Board Meeting Schedule – The next Board Meeting is scheduled for 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 October 2020 are 7.4% percent higher than they were for October 2019. Overall, for 2020, water sales are 4 percent higher than the total year-to-date for 2019.
    - b. Budget Status and Financials – Total revenues for 2020 are 9.3 percent higher than year to date in 2019. Expenses are 4.2 percent higher from this time last year. There are no unexpected variances in the budget.
    - c. Projects Status Update – Mr. Iverson gave an update on the following projects:
      - Solar Carport – Solar panels installed. Application to connect is in process with SCE.
      - North Booster Upgrade – New boosters are installed and operating. The new pumps run quieter and more efficiently.

Well 2A GAC Treatment – Don Peterson Construction started work this week working on site grading for the equipment slab and potholing for piping connections. The GAC equipment is built and ready for delivery. The GAC system should be ready for operation by January 1, 2021.

d. New Development

- i. Chick-Fil-A – Requested additional work, laterals, hot taps. Invoiced for \$20,335. Work to begin in about two weeks.
- ii. Quick Quack Carwash – Acquisition of service fees have been paid. They will meet with Bill on meter placement and to schedule job.
- iii. 7-11 on Yucaipa Boulevard and Chinaberry – Acquisition of service fees have been paid. They will meet with Bill on meter placement and to schedule job. They have been issued a construction meter.
- iv. Dutch Bros Coffee Shop – Located on Yucaipa Boulevard and 13<sup>th</sup> Street. They have been sent an estimate of fees. They need to meet with Bill before final fees are sent to them.
- v. Jack in the Box on Yucaipa Boulevard – Staff issued a fire flow test. Construction is not expected to begin until after the first of the year.

6. Action Items

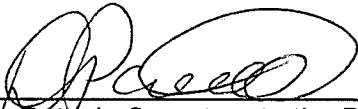
The Directors discussed the proposed change to the Investment Policy Statement. The change is proposed because the CD market is not keeping up with the company's portfolio projection. The goal is to have a two-percent rate of return on investments to off-set the need to raise water rates.

**Motion 07:20** – To approve the investment policy statement amendment as recommended by the General Manager. Motion made by Director Kelly, seconded by Director Burk, and passed unanimously

Directors' Matters

Six resumes were received for the vacancy on the Board of Directors. The Board would like Director Green and Mr. Iverson to interview all the candidates and narrow the selection to two or three candidates to meet with the full Board. Ms. Patrick will schedule the interviews and offer the candidates the choice of meeting in person, with proper social distancing, or meeting via video conference.

The meeting was adjourned at 8:33 AM.



Debbie Patrick, Secretary to the Board