



Minutes of November 17, 2023, 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, November 17, 2023. President Duane Burk called the meeting to order at 8:00 AM. Directors present: Robert Zappia M.D, Armando De La Paz; General Manager Mark Iverson, Office Manager Debbie Patrick. Director Benjamin Kelly was absent.

1. Public Comment – None
2. Minutes of Board Meeting – Minutes from the October 20, 2023 Board Meeting were reviewed and approved. Motion made by Director De La Paz, seconded by Director Zappia, and approved unanimously.
3. San Bernardino Valley Municipal (MUNI) Report – No Report
4. Board Meeting Schedule – The next Board meeting will be Friday, December 15 at 10:00 AM.
5. General Manager's Report
 - a) Discussion Items
 - a. Water Sold – Water sales for October 2023 are 10.7% lower than they were for October 2022, and 19.6% lower than for this time in 2022.
 - b. Budget Status and Financials – Total revenues for 2023 are 8.7 percent higher than this time last year. Expenses are 2.4 percent lower than this time last year. The company has had some connection fees this year, which has increased income for the this year. Mr. Iverson showed the breakdown of income. The meter charge is 37 percent of income. In 2017, the meter charge was 27 percent of income. This is important during times when we are selling less water, we are still performing well financially. There were no questions regarding the Accounts Payable Register and the Major Projects.
 - c. 0 Tennessee Property – Hillwig is still working on the utilities and grading plans. City approval of the final plans is expected before the end of December. This is a milestone in our sales agreement with Weaver Estates. Issuance of the grading permit, or no later than February 1, 2024, is when interest provisions of the sales agreement start.
 - d. Yucaipa GSA – The final meeting of the GSA for 2023 was on October 25. Mr. Iverson showed highlights from the presentation from Dudak.

- e. Lead Service Line Inventory – WHWC has until October 2024 to complete an inventory of lead service lines in our service area. Maria Kennedy, who helped us with the income survey earlier this year, is helping us request a grant on zero interest loans from the State to help in this effort.

There is a provision from the EPA that the company must test the lines on the customers' side. These lines do not belong to WHWC and there is a concern of liability if the customer has a problem with their line after we have tested it. Mr. Iverson will put together information for the customers and they will have to sign that we have permission to test their line and will not hold the company responsible for any damages.

We purchased a device called Swordfish that has a probe that is inserted into service lines to determine if they contain lead. The device has worked well in other parts of the United States. They have not been able to get it to work on our system yet. They have tried four times. Payment for the system has not been made pending a successful demonstration of the tool. There are other approaches to doing the inventory that we may need to investigate. We have a general idea of where any lines that may contain lead are in our system, and the actual replacement of these lines is being done as part of our annual water line replacement program. Mr. Iverson is considering purchasing a vacuum excavator to use if we need to expose a line. There are other uses for this equipment. The Board agreed this would be a good purchase.

Mr. Iverson and Director De La Paz were at the annual Cal Mutuals meeting November 13. There was discussion on network security and how other agencies handle water quality issues.

The Artisan homes on 17th Street have paid the connection fees for Phase 4 of the development. They have three phases remaining for an additional 41 homes.

6. Action Items

None

7. Directors' Matters

None

The meeting was adjourned at 8:41 AM.



Debbie Patrick, Secretary to the Board