



**MINUTES OF NOVEMBER 3, 2017 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 3, 2017, President Zappia called the meeting to order at 8:00 AM. Directors present: Kelly, Dahlke, Burk, Green, Manager Iverson, and Secretary-Treasurer Sufficool.

1. Public Comment – No public comment.
2. Minutes of Board Meeting – Held on September 15, 2017 were reviewed and approved. Motion by Director Green and seconded by Director Dahlke.
3. San Bernardino Valley Municipal (MUNI) Report – Director Kelly had nothing to report pertinent to WHWC.
4. December Board Meeting – The December Board Meeting is scheduled for Friday, December 15, 2017 at 8:00 AM.
5. Financial Statement – The Financial Statement for September 30, 2017 and the Cash Balance Sheet for September 30, 2017, were reviewed and approved. Motion by Director Burk. Seconded by Green. Motion passed.

FUNDS DRAWING INTEREST:

\$ 49,230.75	Bank of America - IMMA	0.02%
\$ 1,000.00	Bank of America (Franchise Agreement Bond)	5.12%
\$ 244,943.34	Capital One 360 - Savings Acct	0.40%
\$ 105,328.97	Pacific Western Bank - CD	0.5000%
\$ 227,968.79	Community Bank - Checking Acct	N/A
\$ 160,755.80	Community Bank - IMMA / Capital Reserve	0.3500%
\$ 296,459.05	Community Bank - IMMA / Assessment	0.3500%
\$ 701,757.53	Community Bank - IMMA	0.3500%
\$ 282,631.51	Community Bank - IMMA / East Reservoir	0.3500%
\$ 186,003.88	Community Bank - IMMA / 1825	N/A
\$ 140,306.84	US Bank - IMMA / Assessment	0.15%
\$ 100,758.67	US Bank - IMMA / Capital Reserve	0.15%
\$ 2,497,145.13	<b>TOTAL GENERAL ACCOUNTS</b>	

5. Manager's Report:

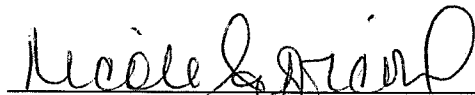
- a) GSA UPDATE – Manager Iverson informed the Board that at the last GSA meeting he had been nominated chairman of the GSP Committee, Dave Armstrong of SMWC was nominated vice-chairman, Joe Zoba of YVWD was nominated Secretary, and Doug Hendricks of SBVMWD was nominated Treasurer. At the October 19, 2017 meeting, the state's list of requirements for the GSP was discussed. There will be another meeting on November 16, 2017.
- b) CHAD MAYES TOUR – On October 23, 2017, Western Heights Water Company and South Mesa Water Company hosted a tour of their facilities. Assemblyman Chad Mayes attended the tour.
- c) PROPERTY CLEAN-UP – Our crew has been working over the previous weeks cleaning up the property next door. A plan is being worked out to make all the necessary repairs to get the property ready for our monthly meetings to be held there.
- d) GIS UPDATE – Manager Iverson demonstrated to the Board what we have so far on the GIS Map. It is still in progress of being completed. However, it is nearing completion.
- e) ACTION ITEMS –
- a. Health Insurance Rate Increase –  
MOTION 12:17 – Director Burk made a motion to accept the proposal for renewal of Employee Health Insurance with Blue Shield. Director Green seconded. Motion passed.
  - b. Employee Cost of Living Pay Increase - Matter was discussed in closed session.
  - c. Proposed Stock Split - Manager Iverson presented the Board with his idea for splitting the shares of stock giving shareholders more shares and also making more shares available for purchase from the company. The item was discussed at length.  
MOTION 13:17 - Director Green made a motion to accept Manager Iverson's proposal to split each share into 3 shares. Director Burk second. Directors Dahlke and Kelly voted against motion. Motion passed.
  - d. Revised Acquisition of Service Fees – Item is a four-part proposal as follows:
    - i. Charging new developments 25% more of the Water Supply Reliability Fee if they will be on sewer and not septic.
    - ii. Charging new property owners the Water Supply Reliability Fee in the watershare transfer if they are going from septic to sewer
    - iii. Charging customers that switch from septic to sewer the Water Supply Reliability Fee.
    - iv. That all Water Supply Reliability Fees collected be put into a separate bank account and general ledger account.

Director Burk made a motion to accept items 1 and 4 of Manager Iverson's proposal stating we will start charging new developments that come into our service area 25% more of the Water Supply Reliability Fee is they will be on septic and not sewer. Director Kelly seconded. Motion passed.

- e. Draft 2018 Budget – Manager Iverson asked that the Board approve his approach for creating the 2018 budget and also that we budget on a cash basis.
- f. MOTION 14:17 – Director Burk made a motion to accept manager Iverson's approach to creating a 2018 budget and that we budget on a cash basis. Director Green seconded. Motion passed.

f) CLOSED SESSION

Meeting adjourned at 9:50 AM.

  
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Nicole Sufficool, Secretary-Treasurer