



Minutes of December 13, 2024 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, December 13, 2024. President Duane Burk called the meeting to order at 10:02 AM. Directors present: Robert Zappia M.D, Armando De La Paz, Benjamin Kelly, Chris Venable; General Manager Mark Iverson, Office Manager Debbie Patrick.

1. Public Comment – None
2. Minutes of Board Meeting – Minutes from the November 15, 2024 Board of Directors Meeting were reviewed and approved. Motion made by Director Venable, seconded by Director Zappia, and approved unanimously.
3. San Bernardino Valley Municipal (MUNI) Report – Director Kelly reported there was nothing pertinent to Western Heights. They are working on replacing Director Hays who passed away. Mr. Iverson has been attending a bi-monthly managers' breakfast at MUNI. There has been discussion regarding the allocations. The State is very conservative.
4. Board Meeting Schedule – The January Board of Directors meeting will be Friday, January 17 at 8:00 AM.
5. General Manager's Report
  - a) Discussion Items
    - a. Water Sold – Water sales for November 2024 are 14.8% higher than they were for November 2023. Year to date sales is 12% higher than this time in 2023.
    - b. Budget Status and Financials – Total revenues for 2024 are 21.4% higher than this time last year. Expenses are 11.2% higher than this time last year. Mr. Iverson will have the proposed budget for 2025 at the next meeting.

The Accounts Payable Register for September and October and Major Projects were reviewed. The project for the pipeline replacement on 18<sup>th</sup> street will be paid for by new development. The project was accelerated due to a leak on the line and the condition of the line.

- b) Updates
  - a. Water Production Cost Dashboard – Mr. Iverson reviewed the dashboard with the Board. This dashboard allows us to track the cost of well water production, which is based almost entirely on the cost of electricity. The

cost varies throughout the years based on electric costs and the actual water production from each well.

- b. Lead and Copper Service Lateral Replacement Project – DDW LCRR Unit approved our inventory laterals. We are still working on the no-interest loan application.
- c. Weaver Cherry Valley Property – Legal counsel is working on the loan documents. Weaver has requested closing by December 31, 2024. Mr. Iverson is negotiating with Mark Weaver to recoup the interest the company is losing by selling some of the CDs.
- d. 2025 Employee Cost of Living Increase – Mr. Iverson is proposing a three percent Cost of Living Adjustment (COLA) for staff. The Board discussed the actual increase in cost of living over the last year and would like to give staff a four percent COLA for staff.

**Motion 12:24** – To approve a cost-of-living increase in the amount of four percent for staff effective January 1, 2025. Motion made by Director Kelly, seconded by Director Venable, and approved unanimously.

Action Items

All items acted upon in the General Manager's Report

Directors' Matters

Director Burk appreciates the efforts of staff and recognizes staff performs a variety of tasks regularly. He would like to see a salary survey at the end of next year.

The meeting was adjourned at 10:32 AM.



Debbie Patrick, Secretary to the Board